Social Security Bulletin

December 1946
Vol. 9 No. 12

Social Security Recommendations

Public Assistance Goals for 1947

Financial Aspects of Medical Care Insurance

1946 Amendments to the Railroad Retirement and Railroad Unemployment Insurance Acts

FEDERAL SECURITY AGENCY
SOCIAL SECURITY ADMINISTRATION
WASHINGTON, D. C.

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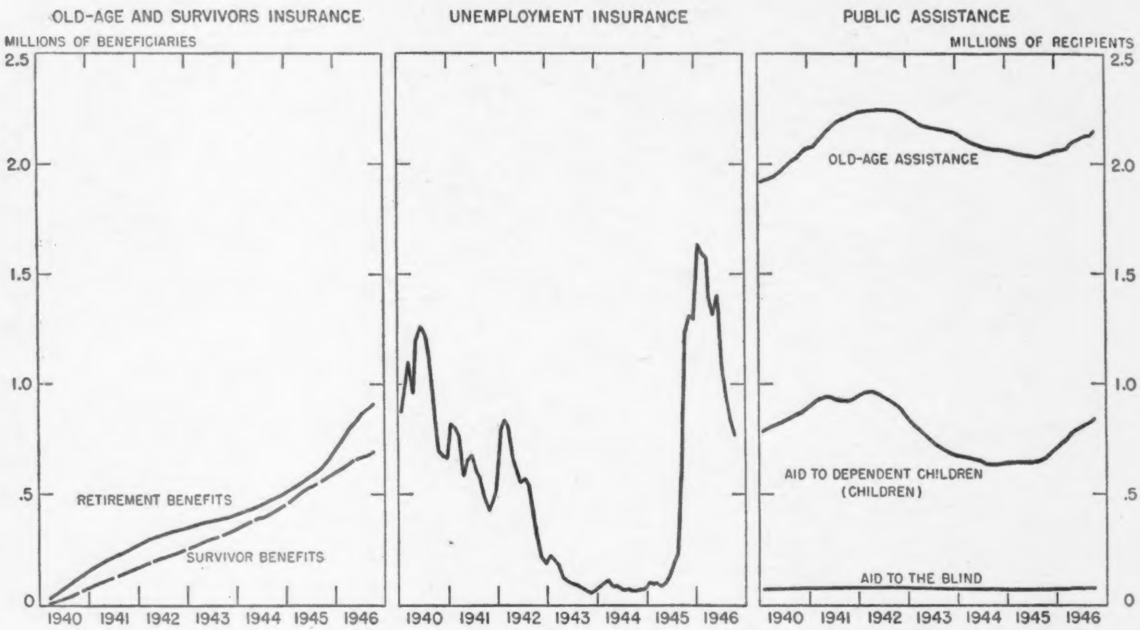
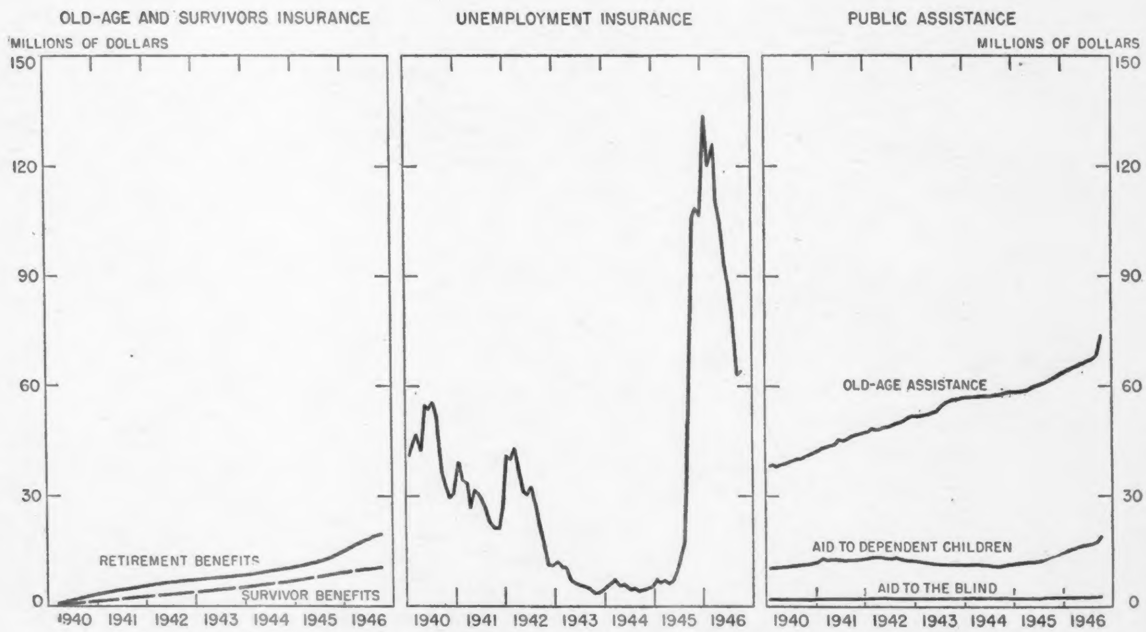
Social Security Operations*

INDIVIDUALS RECEIVING PAYMENTS



SOCIAL SECURITY PAYMENTS



*Old-age and survivors insurance, beneficiaries actually receiving monthly benefits (current-payment status) and amount of their benefits during month; unemployment insurance, average weekly number of beneficiaries for the month and gross benefits paid during the month under all State laws; public assistance, recipients and payments under all State programs.

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Social Security in Review

The Labor Force in November

The economic situation in November was characterized by a violent clash of opposite forces. The general trend in business activities—as reflected in the indexes of industrial output, manufacturing employment, production of steel ingots and electrical power, and the like—was still directed upward, at least until the outbreak of the coal strike in the last week of November. After the repeal of war controls and a brief period of confusion, the peacetime economy was going ahead under its own steam: production of motor vehicles approached 100,000 a week; freight carloadings rose more than 10 percent above the level of a year before; nonagricultural employment reached a new peak; unemployment fluctuated in a narrow range which was below the level usually considered as the irreducible minimum.

The picture appeared particularly bright in terms of dollars, as represented by current income payments, pay rolls in manufacturing industries, or average weekly earnings of factory workers. There was evidence, however, of developing strains and maladjustments. Dollar incomes were outrunning the physical volume of production; rising costs of living pushed down real wages in spite of the increase in take-home pay. Essentially, these developments were characteristic of the new phase of the transition from a war emergency to peacetime normalcy with a minimum of control over economic activities.

The cut in prices anticipated by consumers was in general postponed by producers until after the new year. This provoked a growing resistance and resentment of consumers in low and middle-income brackets. In November the outlook for business in the next 2 or 3 months was of course seriously affected by the walk-out of the coal miners in the middle of the month.

Fortunately the coal strike was called off and mining was resumed before the coal stocks of railroads and factories were exhausted, so that, although there was loss of wages by miners and considerable trouble for consumers, no irreparable harm was done to business.

The main result of the 2½-week coal strike was to make the Nation aware of the precariousness of the situation and the economic calamity which may develop unless labor and management find some arrangement acceptable to both sides and in harmony with the needs of the economic system as a whole.

As shown by the weekly reports of claims-taking activities of State unemployment insurance agencies, the number of claims increased in the second half of November, reversing the prevailing downward trend of weekly claims.

However, the coal strike was still too young at the end of November to explain the upturn in the flow of claims—especially of compensable claims. Their rise in the week ended November 23 was due to administrative and seasonal factors. The pre-

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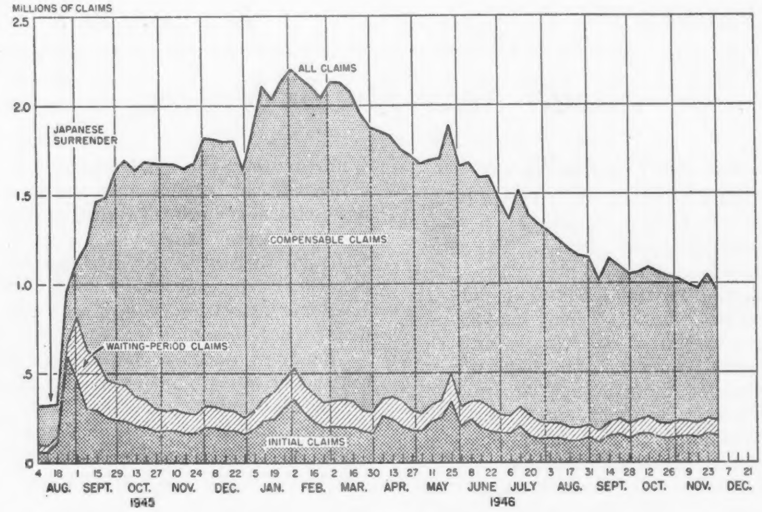
Weekly number of claims for unemployment insurance benefits, October 26–November 30, 1946

Week ended—	Claims (in thousands)		
	Initial	Waiting-period	Compensable
October 26	134	79	823
November 2	141	90	793
November 9	146	82	766
November 16	137	80	756
November 23	159	84	805
November 30	148	85	738

Weekly number of claimants for unemployment benefits, August 4, 1945–November 30, 1946



ceding week included Armistice Day, and a week with a holiday usually leaves a backlog of claims which is picked up the following week. Seasonal factors and stormy weather were responsible for increased claims loads in California, Washington, Oregon, and Florida. Only one State, Indiana, attributed the rise to labor disputes in coal industries.

Although the tide of claims in the second half of November was not related to labor troubles, the uncertainty in business conditions is of direct concern to the unemployment insurance system. However, the adverse effect of the uncertainty on the labor market may be temporarily offset by the fact that in many industries the main bottleneck is still the shortage of labor. The unfilled vacancies in these industries may absorb some of the workers laid off by other industries. Thus, an appreciable contraction of economic activities, combined with a more-than-seasonal slump in business after January 1, would not result immediately in mass unemployment.

October in Review

In October, both initial and continued claims for benefits under State unemployment insurance systems increased for the month as a whole. The increases were due chiefly to the large volume of claims filed in 2 States, though 18 others also reported heavier claims loads. Shortage of materials, secondary effects of labor disputes, and a drop in seasonal employment were mainly responsible for the heavier loads. Despite the increase in claims, however, the average weekly number of beneficiaries continued to decline, as it had every month since February. October payments, totaling $64.4 million, compensated for 3.5 million weeks of unemployment.

In old-age and survivors insurance, almost 5 million workers entered their fortieth quarter of covered employment in October. On January 1, 1947, they will be fully and permanently insured. Whether they work in later years or not, these workers will be able to qualify for primary benefits when they reach age 65; if they die, their survivors can qualify for monthly benefits or lump-sum payments. Another 3.4 million workers will have permanently insured status on January 1 with less than 40 quarters of coverage.

Some 1.6 million beneficiaries were receiving payments at the end of October at a monthly rate of $30.4 million; a year earlier, 1.2 million beneficiaries were receiving $22.4 million. Benefits certified under the 1946 amendments to survivors of World War II veterans amounted to $43,100 for monthly benefits and $138,900 for lump sums.

Increases in Federal financial participation in public assistance payments, authorized under the 1946 amendments, went into effect the first of October. In the country as a whole the relative monthly increase in the number of families receiving aid to dependent children (2 percent) continued to be larger than for recipients of old-age assistance or aid to the blind, and the 10-percent increase in total monthly expenditures for aid to dependent children was larger than in either of the other two programs.

Between August 10, when the amendments became law, and October 1, most States had taken steps to increase assistance to persons already on the rolls or to aid other needy and eligible applicants, although in some States the changes had not yet been made effective. Kentucky paid out 45 percent more in October than in September for the three special types of public assistance, and payments in Arizona rose 28 percent. Increases of 25 percent or more were reported by four States for old-age assistance, seven States for aid to dependent children, two States for aid to the blind, and three States for general assistance. Among the States which, because of increased State or Federal funds, were able to make payments to eligible persons who had been waiting for assistance, Mississippi increased its case loads for old-age assistance and aid to dependent children more than 15 percent from June to October; the September–October increase was nearly three-fifths of the total rise.

Consolidation of Regional Staffs

A further step in the administrative integration of all Bureaus within the Social Security Administration was taken with the consolidation, as of

(*Continued on page 16*)

Social Security Recommendations

In its final report as a three-member, policy-making body,[1] the Social Security Board reaffirms its conviction, developed over eleven years of operation of the programs and of study and analyses for which the Board was responsible under the Social Security Act, that it is both necessary and feasible to strengthen the existing social security system and to link it more closely with other measures to promote the well-being of families and of the Nation.[2]

SOCIAL SECURITY PROGRAMS in the fiscal year 1945–46 provided means of forestalling or alleviating distress that had not been available after any previous war in the Nation's history. Yet provisions for family security in this year of transition to peace gave varying protection against wage loss. The inadequacy of the protection reflected in part the absence of provision against certain hazards and in part the restricted coverage and immaturity of programs established too recently to reach more than a minor segment of the population for whom the risk had already occurred.

In peace as in war, high levels of employment and earnings do not of themselves give complete security to families. Disability, old age, death of the family earner, and the "frictional" unemployment that reflects change and development in a dynamic economy are hazards against which provision must be made at all times. Future progress in improving health and preventing needless suffering and premature death will depend largely on the ability of all the population to obtain adequate individualized services for attaining maximum physical and mental efficiency and for the diagnosis and care of sickness.

A Comprehensive Program of Social Security

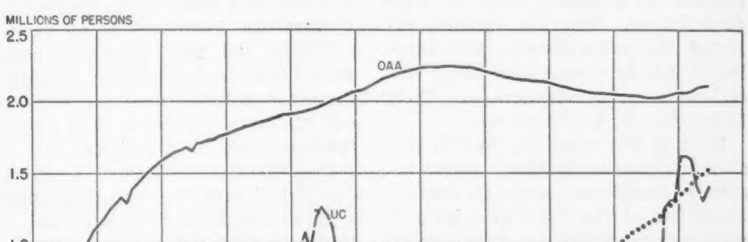
Social security not only protects the individual against certain predictable risks but also, through benefiting large groups and contributing to the morale of large numbers, helps to assure the security and development of the Nation as a whole. The war years showed dramatically that the overwhelming majority of Americans prefer jobs to insurance benefits or assistance. At the same time, industry and the economy in general benefit from the greater sense of confidence that exists when workers know that they will have some means of livelihood if age or other circumstance beyond their control cuts off their ability to earn. Assurance of a basic minimum protection in adversity stimulates rather than destroys the interest of individuals in making what additional provision they can for themselves; any savings they can put by and any additional insurance they can purchase individually become more worth while.

The Board believes that comprehensive and adequate provision for contributory social insurance is essential to national and individual security in the circumstances of modern life. Social insurance can make it possible for the great majority of all families to maintain their economic independence when they meet with common risks over which they have little or no individual control.

At the same time, there is and will continue to be need for comprehensive and adequate provision for public assistance. Even with complete coverage of risks and of population, some families will fail to qualify for insurance benefits and will require public assistance. There will always be some individuals and families who will meet with catastrophes in which their requirements exceed the benefits for which they qualify and who may need supplementary assistance.

To obtain the objectives of a social security program, social insurance and public assistance must provide against all common hazards to livelihood among all groups of the population. Our present provision for social security is seriously deficient in both these respects. Moreover, existing arrangements to safeguard or enhance the economic security of families have grown up at different times and places and for various separate groups. As a result, the character and extent of present protection, when it exists, differ greatly for persons in essentially similar circumstances. Our social and political traditions as a democracy and the

Social insurance beneficiaries and public assistance recipients under the Social Security Act, February 1936–June 1946



[1] On July 16, 1946, the functions of the Social Security Board and its Chairman were transferred to the Federal Security Administrator, under the President's Reorganization Plan No. 2, and on the same date the Social Security Administration was set up as a branch of the Federal Security Agency. The Board's report, from which this summary of recommendations is taken, constitutes Section 6 of the *Annual Report of the Federal Security Agency, 1946*.

[2] After the close of the fiscal year, with which the report is concerned, Congress enacted the Social Security Act Amendments of 1946, some provisions of which had a bearing on the recommendations. For a summary of the amendments enacted, see the *Social Security Bulletin*, September 1946, pp. 2–8.

A Comprehensive Program of Social Security

The Social Security Board recommends the establishment of:

A comprehensive basic national system of contributory social insurance, covering all major risks to economic independence and all workers and their dependents threatened by such risks. The program would include insurance against wage loss in periods of disability and against costs of medical care, for which no general provision now exists in the United States, as well as old-age and survivors insurance and unemployment insurance, with benefits related to past earnings and with provision for additional benefits for dependents. It would be designed to close existing gaps in the coverage of both persons and risks, to remove present inequities in the protection of workers and the financial burdens of employers, and to provide a consistent relationship among insurance provisions for the various risks and between provisions of the basic system and of supplementary special systems for particular groups. As compared with separate programs to meet particular risks, such a system would reduce administrative cost and reporting burdens and simplify arrangements as they affect workers, employers, and public agencies.

A comprehensive program of public assistance, on a Federal-State basis, under which payments and services financed from Federal and State funds would be available to any needy person in the United States, irrespective of the reason for need or the place of residence. The Federal financial contribution to such a program should be designed to remove the great disparities now existing in the treatment of various classes of needy persons and to reduce the disparities in the treatment of persons who are in like circumstances but live in different parts of the country. It should also be designed to remove serious present inequities in the relative burdens borne by States and localities in financing public assistance.

continuing progress of our free competitive economy require a broader, sounder, and more equitable basis for ensuring individual and national well-being.

Additional Insurance Provisions

Disability insurance.—In the United States the wage loss from disabilities lasting 6 months plus the first 6 months' loss in extended disabilities amount in ordinary years to some $3–4 billion. For the families affected, the consequences in lowered living standards—and in many instances sheer deprivation—are likely to be felt over a long period.

Most of the wage loss due to disability is uncompensated. Social insurance benefits are available to relatively few of the daily average of 2 million or more disabled wage earners who, but for their incapacity, would be working or looking for work. Industrial and commercial workers are covered by workmen's compensation, but conditions of work-connected origin apparently account for less than 10 percent of the wage loss from disability. Only 2 States have programs for paying disability benefits to workers covered by their unemployment insurance laws, and those benefits are of temporary duration. Excepting payments to disabled veterans, the only public provisions for compensating permanent disability of non-work-connected origin are the somewhat restricted programs for railroad and government employees. Commercial insurance is of course available, but most insurance companies have stopped issuing extended disability policies, and few workers can afford the relatively high cost of temporary disability policies.

One effect of the lack of a general disability insurance program has been a relatively large representation of the disabled on the public assistance rolls. In June 1946, recipients of aid to the blind numbered 74,000. The families of some 65,000–70,000 incapacitated men were receiving aid to dependent children, and the 278,000 cases receiving general assistance included many adults whose working capacity was seriously impaired by disability.

Medical care insurance.—Equally as serious and important as the wage loss from disability is the problem of paying for adequate medical care, a problem which concerns not only wage earners but the population as a whole. In the aggregate, the financial burden of illness is not excessive. The Nation's bill for health services of all kinds amounts to about 4 or 5 percent of the national income. The problem lies in the uneven incidence of this burden. In a given year most families have only nominal expenditures for medical care; others are overwhelmed. Except on a prepayment basis it is, for all practical purposes, impossible for an individual or family to budget for medical care. These two characteristics of medical care cost—their unpredictability for the individual family and their manageable proportions when averaged—provide the basis for the Board's recommendations that medical costs be put on a prepayment basis.

Prepayment of such costs is not a new principle. All States but one require employers to carry the cost of workmen's compensation. Voluntary medical care plans also use the prepayment principle but are limited by inadequacy of coverage, restrictions on services and on membership, inability to adjust contributions to income, and relatively high costs.

Additional Insurance Provisions

The Social Security Board recommends:

Provision under Federal law for cash benefits to insured workers and their dependents during both temporary disability (less than 6 months) and extended disability (6 months and over).

Insurance against costs of medical care, including payments to physicians, dentists, nurses, hospitals, and laboratories, with provision for decentralization of administration and utilization of State administration.

Old-Age and Survivors Insurance

The Social Security Board recommends:

Coverage of all gainful workers, including agricultural and domestic employees, public employees and employees of nonprofit organizations, railroad employees, and self-employed persons, including farmers and small businessmen.

Legislation to prevent servicemen from losing the protection of the old-age and survivors insurance system because of service in the armed forces.

Reduction of the qualifying age for all women beneficiaries from 65 to 60 years.

Changes in the average monthly wage and benefit formula to increase benefit amounts, particularly for low-paid workers.

Increase from $3,000 to $3,600 a year in the maximum amount of earnings which are subject to contribution and counted in computation of benefits.

Increase in the amount of earnings a beneficiary may receive in covered employment without suspension of benefits.

Greater unformity in defining, for purposes of the insurance system, family relations and conditions of dependency that qualify members of a worker's family for benefits.

Benefits during periods of extended or permanent disability, like those for old-age retirement.

Provision for ensuring uniformity in coverage decisions relating to liability for contributions and eligibility for benefits, which are based on identical language in the Social Security Act and Internal Revenue Code but are made by two separate Federal agencies—the Bureau of Internal Revenue and the Board.

Adoption of a long-range plan for financing old-age and survivors insurance which looks toward an eventual tripartite division of costs among employers, employees, and the Government.

Federal, State, and local governments have assumed some responsibility for the care of certain groups of the population. In the fiscal year 1944–45, expenditures to carry out governmental health and medical functions amounted to more than $1 billion, excluding care of members of the armed forces but including care of veterans and public health services. Tax funds, in other words, provided about one dollar in five of the Nation's total health bill.

There is general agreement on the desirability of a larger governmental contribution to the cost of keeping the Nation in good health. The major difference is as to the most appropriate way of making it. Free care on a means-test basis, the Board believes, is not the solution. The great majority of normally self-supporting persons can and would prefer to pay for their medical care through some system of prepayment that distributes costs over groups of people and periods of time, rather than seek free care after they have been reduced to dependency.

The simplest, most economical, and most effective basis for medical care insurance is through Federal legislation to establish a comprehensive program under governmental auspices, financed out of periodic contributions by employers and employees. Such a program is not "socialized medicine" but a method of insurance payment. The law might authorize use of State and local official—and even private—agencies in administering the program and furnishing services to insured persons. In any event, subject to national standards, administration of benefits should be decentralized under arrangements worked out locally with doctors, hospitals, and others concerned, with the collaboration of professional organizations. Policies and operations in each area of administration—Federal, State, and local—should be guided by advisory bodies representing the contributors to the system and the groups that furnish services. The system need not, and should not, supplant existing voluntary group arrangements for persons who may wish to use the services such group plans offer.

Old-Age and Survivors Insurance

Extension of coverage to all workers and coordination of the basic Federal system with special systems for railroad, government, and other employees are essential for adequate protection of aged workers and their dependents and of the survivors of insured wage earners.

At the beginning of 1946, nearly half of all civilian jobs were excluded from coverage, and two in five of all persons with wage credits from covered employment were neither fully nor currently insured. The mobility characteristic of the American labor force means that workers who shift between covered and noncovered employment lose or fail to gain protection for themselves and their survivors, though they have contributed to the system. Many more who acquire and retain insured status will have benefits based on lower average wages than they actually received, because their wages from noncovered employment cannot be counted.

A decade's experience in operating the program has shown several feasible methods of solving the administrative problems which caused the initial exclusion of such groups as agricultural and domestic employees and the self-employed. Other groups which opposed inclusion under the Social Security Act initially for various reasons are coming to realize the value of the continuity of the survivorship protection which the basic system would offer and of the survivorship protection which many of the special retirement systems lack. Without jeopardizing any existing rights, retirement benefits can be provided under the basic system to members of excluded groups, many of whom are not members of special retirement systems, and the special systems can be adjusted so as to provide benefits supplementary to those of the basic Federal system.

Another area in which improvement is necessary concerns eligibility for benefits and benefit amounts. The general level of benefits should be

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raised, particularly in view of higher living costs. If coverage is extended, modifications should be made so that newly covered workers will not suffer either undue delay in establishing rights to benefits or reduction in the amount of benefits for which they may qualify. The conditions of benefit payments should be amended, also, to eliminate anomalous and inequitable situations and to simplify administration.

Unemployment Insurance

In 1945–46, unemployment compensation was an invaluable resource to millions of families and to the Nation as a whole in the emergency of economic and military demobilization. High wartime earnings and the improved benefit provisions of State laws gave many workers substantial rights to benefits, yet most of those who were laid off found other jobs within a short time and did not even file a claim for benefits. For those who received benefits because suitable work was not available, unemployment insurance provided some income during their search for work. Not all workers got jobs immediately, however. More than a million workers exhausted their benefits. Limitations in benefit provisions restricted the usefulness of the system and will continue to restrict it. Much can and should be done to strengthen the program for the long run, both by extending coverage and increasing the adequacy of protection.

In view of accumulated reserves, which are much greater than needed for a current-risk program, the Board recommends a revision in method of financing. Abolition of the credit-offset features of the present tax and substitution of a straight Federal tax of 1 percent, from the proceeds of which matching Federal grants could be made to States to pay benefits and administrative costs, would solve many basic administrative problems and simplify present financing. The wide variations in employer contribution rates would be lessened, and States would have far greater flexibility in financing benefit costs.

If the credit offset is retained, however, the Board recommends that the Federal unemployment tax be reduced to 2.0 percent and that employers be permitted to offset as much as 1.8 percent for contributions made or excused under State laws. If, in turn, the States adjust their standard contribution rate to that figure, about half a million employers would benefit from the lower rates. They would be chiefly small businessmen newly starting in business, many of them veterans.

As a condition of the tax offset, minimum benefit standards should be adopted to assure general adequacy of benefits and equity to workers. If such standards are adopted, the Board recommends a permanent reinsurance fund, replacing the present temporary provision for Federal loans to States whose unemployment funds run low.

On the other hand, it may be seriously questioned whether the Federal tax—and by inference State taxes—should be further reduced while risks of temporary disability remain unprotected by most States. If States could use their accumulated funds for benefits to workers unemployed through illness as well as through lack of work, establishment of State programs for temporary disability insurance would be furthered substantially.

Adoption of such measures and extension of coverage to small firms and to most of the groups now excluded would greatly strengthen the system. The Board continues to believe, however, that it would be simpler, cheaper, and safer to cope with the national problem of wage loss from unemployment through a national social insurance program.

Unemployment Insurance

The Social Security Board recommends:

Extension of the Federal Unemployment Tax Act to all employers of one or more workers in covered industries and to many excepted employments.

Provision, under Federal law, of unemployment benefits for seamen and for employees of the Federal Government on a uniform basis irrespective of the State in which they have worked.

If a Federal-State system of unemployment insurance is continued:

Abolition of the credit-offset features of the present tax and substitution of a straight Federal tax of 1 percent of covered pay rolls, from the proceeds of which matching Federal grants to the States would be made for both benefits and administration.

Provision for minimum benefit standards as a condition of tax-offset credit (including additional credits). Among such standards would be:

Extension of unemployment insurance coverage to all employees in industries covered by the Federal tax.

Provision of a *maximum* weekly benefit amount of at least $25 for the worker with dependents, for workers whose past earnings entitle them to the maximum.

Provision of as much as 26 weeks' duration of benefits for all workers eligible for benefits whose unemployment extends over so long a period.

Provision that disqualifications for voluntary leaving without good cause, discharge for misconduct, or refusal of suitable work should entail only postponement of benefits for not more than 4 weeks rather than cancellation of benefit rights or reduction of benefits.

Definition of good cause for voluntary leaving or for refusing suitable work to include good personal reasons, not merely causes attributable to the job or the employer.

If the credit-offset feature of the present tax is retained, reduction of the tax to 2 percent and change in the additional-credit provisions so that employers may obtain rate reductions either through experience rating, State-wide reduction, or some other method.

If minimum benefit standards are adopted, permanent provision through a reinsurance fund—rather than loans, as now temporarily provided—for States whose unemployment funds are low.

Public Assistance

To provide the basis for a flexible and comprehensive public welfare program, the Board recommends strengthening and broadening the present assistance provisions of the Social Security Act, authorizing Federal participation in welfare services, and extending aid to needy persons not now eligible for assistance with Federal help.

Interrelated measures that would strengthen the financing of assistance include special Federal aid to low-income States, the requirement that a State apportion Federal and State funds to localities in relation to their need for funds, and removal of or increase in the maximums on individual payments subject to Federal matching. The low Federal matching maximums in aid to dependent children, which are far lower than those for old-age assistance and aid to the blind, constitute a particularly serious problem.

The Board recommends extension of the assistance programs to permit Federal financial participation in the cost of medical services made available to needy persons, as well as in cash assistance. Until a system of insurance to meet the costs of medical care for workers and members of their families is established, in which public assistance recipients could be included through payment of contributions on their behalf, the lack of provisions for medical assistance will remain a serious gap in the assistance program.

The Board further recommends that the Federal Government share in the cost of all welfare services provided by the staff of a public welfare agency and included in a State plan, including foster-care service for children.

Extension of the Social Security Act to provide grants-in-aid for general assistance is also urgent. In some places general assistance is now wholly lacking, and in many others is sharply limited by inadequacy of local funds or by legal or administrative restrictions on eligibility. There is no justification for limiting Federal grants to programs for the needy aged and blind and dependent children and excluding other needy persons, most of whom are in need because they are sick or have physical or mental handicaps.

Public Assistance

The Social Security Board recommends:

Special Federal aid to low-income States for assistance, administration, and welfare services to enable States with relatively low economic resources to develop adequate public welfare programs.

State distribution of available Federal and State funds to localities in accordance with their needs.

Deletion of the Federal matching maximums for individual payments of aid to dependent children, and deletion or increase of such maximums for old-age assistance and aid to the blind.

Federal grants-in-aid to States for general assistance to any needy person, irrespective of the cause of his need, as well as for old-age assistance, aid to the blind, and aid to dependent children.

Extension of aid to dependent children to permit Federal participation in assistance to a parent or other person assuming responsibility for any child who is living in a family home and is needy for any reason whatsoever. Substantially the same objective could be achieved through the Board's recommendation on Federal financial participation in general assistance. One or both changes, however, are urgently needed to assure more nearly adequate provision for needy children. In addition, Federal financial participation should be available, under appropriate auspices, in the cost of foster-family care for children who have no parent able to care for them.

Abolition of State residence and citizenship requirements as a condition of eligibility for assistance under State plans approved under the Social Security Act.

Elimination, as a condition of Federal grants, of State requirements for transferring title or control of property by an applicant or recipient to the State or locality. This action would not preclude any agency from claiming from the estate of a deceased recipient recovery of assistance formerly paid.

Extension of Federal grants-in-aid for all assistance programs to Puerto Rico and the Virgin Islands.

Federal financial participation in the costs of medical services made available to needy persons under State public assistance programs and in assistance payments to needy sick persons who reside in public or private medical institutions other than mental hospitals and tuberculosis sanatoria.

Federal financial participation in all types of welfare services administered by the staff of the public welfare agency to help families and individuals become self-supporting, make fuller use of community resources, or solve individual problems in family or community adjustments. Such services should be available, when requested, to recipients of assistance and to others not needing or requesting financial aid.

Definition by the States of the content of living to be afforded needy persons through assistance and their own resources, if any, and the development by States of standards that will assure equitable treatment of needy persons throughout the State. Consideration by the States, in determining the amount of assistance, only of resources actually available to the individual.

Unification of the administration of State public assistance programs at both State and local levels as a condition of Federal grants.

Social Security in a Democracy

In the opinion of the Board, no time should be lost in taking every feasible step to extend the present protection of the social security program to all households in the United States, and to wipe out limitations and inequities that can no longer be justified by logic or necessity. For a people, as for an individual, it is prudent to provide in good times against adversities that almost surely will arise sooner or later.

Public Assistance Goals for 1947: Recommendations for Improving State Legislation*

WITH THE ENACTMENT of the Social Security Act Amendments of 1946, Congress made the first substantial changes in the public assistance titles of the Federal act since 1939. Extensive hearings on social security legislation were held during 1946 before congressional committees of both Houses. The House Ways and Means Committee also published a valuable and comprehensive report on "Issues in Social Security," prepared by the Committee's social security technical staff. One section of the report is devoted to public assistance. In the course of the hearings, a large number of representatives of State public assistance agencies and national organizations presented testimony before the Committee for improving Federal public assistance legislation. All these activities, culminating in the Social Security Act Amendments of 1946, point to an increased public interest in the assistance programs under the Social Security Act.

The 1946 public assistance amendments are temporary, extending only to the end of 1947. Both Houses of Congress have indicated the desire and the need for further consideration of social security legislation. In public assistance, many important proposals were considered, but no action was taken pending further study during the next session of Congress. The amendments that were enacted, however, are directed at the fundamental problem of financing the public assistance program.

Living costs have increased. In many States the rise in living costs has been met, to a greater or less extent, by increases in assistance payments. Some States, however, have found it difficult even to maintain their existing level of assistance payments. Insufficient funds have forced some States to delay providing assistance to new applicants and to reduce payments to those already receiving assistance. For these reasons the Federal Government provided for an increase in grants to States for assistance to the needy aged, the needy blind, and dependent children.

Most of the State legislatures will meet in 1947. In some of these States, public assistance laws will have to be revised to obtain the full benefit of the Federal amendments; in all, public assistance legislation will be considered. The Federal amendments offer a challenge to the States to work toward realization of the objective of public assistance, enabling needy persons to maintain a minimum standard of economic security—a standard below which no person should be expected to live.

The Social Security Act specifies certain requirements States must meet as a condition for receiving Federal grants-in-aid. In the last analysis, however, the responsibility rests with the State to determine the standard of living which it believes should be available to all eligible persons through the assistance payment and their other resources. Similarly, it is the State's responsibility to provide the necessary funds that, with the Federal grant, will enable the State to maintain that standard. With the increased funds made available by the 1946 Federal amendments, each State now has an opportunity and an obligation to strengthen its public assistance laws to carry out that responsibility.

Every governmental program that provides a service to individuals has a responsibility for ensuring that all who are eligible will receive the benefits of the program equitably. A number of requirements for State public assistance plans in the Social Security Act specifically support the principle of equal treatment. In considering the use to be made of the increased Federal funds, it is essential that States examine the factors necessary for assuring equitable treatment to all eligible persons wherever they may live in the State, as well as take whatever action is necessary to assure adequacy of payments.

Public assistance programs complement other programs for economic security by supplying basic maintenance to needy persons for whom benefits are not available or are insufficient. The relative place of public assistance in a system of social security depends on the scope and adequacy of other measures designed to keep people from becoming needy. Whether the remaining volume of need is large or small, public assistance should meet effectively whatever need exists.

To assist State public assistance agencies in meeting need effectively, the Social Security Board, now the Social Security Administration, has made recommendations to Congress for improving the public assistance titles of the Social Security Act, which authorize Federal financial participation in old-age assistance, aid to dependent children, and aid to

The accompanying statement, outlining the major changes the Social Security Administration believes would help the States to strengthen public assistance legislation and administration, was sent to all State Governors for their attention. In his letter to the Governors the Commissioner for Social Security stressed, as most important, the following public assistance recommendations:

Changes in State law to take full advantage of increased Federal grants to the States under the Social Security Act Amendments of 1946;

Increasing or removing the maximum amount of assistance payable, particularly for aid to dependent children;

Providing for meeting the medical needs of recipients;

Eliminating restrictive provisions which prevent States from taking full advantage of the provisions of the Social Security Act;

Simplifying administration;

Assuring similar treatment of persons in similar circumstances; and

Assuring the adequacy of State appropriations.

*Recommendations for improving State public assistance provisions in the 1947 State legislative sessions, sent by the Social Security Administration to State public assistance agencies.

the blind, and for making Federal grants available to the States for general assistance. Although we believe that further Federal financial participation is necessary if States—particularly the poorer States—are to provide adequate assistance to all persons who are needy, many steps to improve assistance programs can be taken by States without additional Federal legislation.

The Social Security Administration is presenting this statement of legislative recommendations for the earnest consideration of the States. In their 1947 legislative sessions the States have an opportunity to strengthen their own public assistance provisions and thereby strengthen the national social security system.

Social Security Act Amendments of 1946

Public Assistance Amendments

The amendments to the titles of the Social Security Act for old-age assistance, aid to dependent children, and aid to the blind are effective for the period October 1, 1946, through December 31, 1947. The new law:

1. Increases the maximums on individual assistance payments in which there may be Federal financial participation. For old-age assistance and aid to the blind the maximum is raised from $40 to $45 per month; for aid to dependent children, from $18 for the first child and $12 for each additional child in the home to $24 and $15, respectively, per month.

2. Increases the Federal share of assistance payments under a formula which permits the Federal Government, subject to the maximums on individual payments stated in paragraph (1), to pay two-thirds of the first $15 of the average State monthly assistance payment for the aged and the blind, and of the first $9 of such average payment for dependent children, plus one-half the remainder of such average payments. Formerly the Federal Government paid one-half of all individual assistance payments within the maximums of $40 for the aged and the blind and of $18 for the first child aided and $12 for each additional child.

3. Makes the Federal share of the costs of administration for old-age assistance uniform with the programs for aid to dependent children and aid to the blind. As a result, the Federal Government will contribute one-half the administrative costs in all three programs.

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General Recommendations

Some States already have specific statutory provisions for taking advantage of any amendment to the Social Security Act. Most States have general legislative provisions for cooperating with the Federal Government in relation to the public assistance programs. These and other State statutes relating to the State's authority to receive Federal funds should be reviewed, in consultation with the attorney general if necessary, to determine whether legislative action will be needed.

As the Federal amendments are effective only to the end of 1947, we do not recommend that States relate their State legislation specifically to those amendments. If amendments in State laws are necessary, we suggest that they be considered in relation to the recommendations set forth in this statement, most of which will be appropriate regardless of any probable changes in the Federal act.

Some States have enacted legislation enabling the State to make immediate adjustment to Federal legislation enacted when the State legislature is not in session. If this type of law is considered, we recommend that it not be used as a substitute for specific legislative action when that is possible and feasible, and action under it should remain effective only temporarily and until the legislature has opportunity to take appropriate action.

The State law constitutes the legal base for the State's program. It should indicate clearly the scope of the program and the area of State responsibility. The law should not depend on the Federal act or on the decisions of a Federal agency for its interpretation. Emergency action under the type of enabling law mentioned above, followed subsequently by specific legislative action where appropriate, would keep intact the nature of the State law as the authority for the State assistance programs.

More Adequate Assistance Payments

The higher maximums and the larger Federal share resulting from the Federal amendments will enable States to improve and expand their assistance programs. This development was clearly the intent of Congress, and it places on the State a responsibility for exerting an effort to make possible the maintenance of at least a minimum standard of living for assistance recipients. To use the increased Federal funds merely as a substitute for State and local funds would be incompatible with the purpose of the amendments. When this practice results, even in part, because of State law, it is incumbent on the State to make necessary legislative changes.

Maximums on Assistance Payments

The increased Federal maximums will make it possible for States to receive more Federal funds than previously. However, even the increased maximums in the Federal act do not represent a recommended standard of living; rather, they merely constitute the limits on assistance payments in which the Federal Government can participate. It has been recognized generally that maximums prescribed by State law have often made it impossible to provide adequate assistance. Therefore we have long recommended that no maximums on assistance payments be specified in State law.

About half the State plans have no statutory maximums for the three types of public assistance. With increased Federal funds available under the 1946 amendments, there is added reason for their repeal in the rest of the States. In some States the statutory maximum is less than that provided in the Federal act. In determining the legislative action to be taken, the State should consider the possibility of additional revisions by Congress in the near future. States without statutory maximums are in the most advantageous position to accept changes in the Federal act without having to amend their laws. This fact strengthens the case for eliminating maximums from the State laws.

Federal-State-Local Shares for Assistance

The 1946 amendments provide for an increase in the Federal share of expenditures for assistance. Some

State laws establish fixed percentages of assistance costs to come from Federal, State, and sometimes local funds. Such provisions may interfere with a State's procuring the maximum Federal aid under the amendments. In States whose laws specify fixed local percentages of total costs, uniform for all localities, the amount needed for assistance is sometimes subordinated to the locality's fiscal ability and efforts. Such States may be able to handle the immediate temporary situation by a law which would give the State public assistance agency authority to use some of the increased funds resulting from the Federal amendment as an "equalization fund," to be allocated to localities, in addition to the usual proportion, on the basis of their needs for assistance and costs of administration. This method would enable States to supplement the resources of localities which cannot raise the local funds required to maintain the State-wide standard of assistance. Major changes in public assistance financing should be made only after thorough study of the many technical and legal aspects of the problem. A fuller discussion of financing public assistance and administration is included below in the section on "Allocation of Funds for Assistance and Administration."

Costs of Administration

By changing the provision for Federal financial participation in the costs of administration in old-age assistance, the 1946 amendments make the matching of administrative costs uniform for the three programs.

In most States the amendments will result in an increase in Federal funds for administration. All States should examine the scope of their activities in which costs of administration are involved, both State and local and for all three programs, to determine whether maximum Federal participation is being obtained. In some instances, State legislation may be required, either to give the State agency authority to carry on activities or to eliminate or amend provisions unduly restricting the agency.

We have long recommended against laws which limit the amount of money for costs of administration to some specified percentage of assistance costs. Such provisions have created serious problems for agencies, usually resulting in inadequate funds to maintain efficient administration. There is now additional reason to repeal any statutory limitations on administrative costs that would prevent a State from furnishing services which may be included in costs of administration in which the Federal Government can participate.

Recovery Provisions

A few State laws relating to recoveries for assistance include provisions for reimbursing the Federal Government for its share in the proceeds of such recoveries. Where the law prescribes a fixed percentage to go to the Federal Government, questions may arise as to the authority of the State to reimburse the Federal Government for its appropriate share under the new Federal amendments. We recommend that there be no provision in State law regarding payment to the Federal Government in such cases, as this problem is handled through adjustments in the Federal grants to States and such a provision is unnecessary.

Equitable Treatment of Individuals in Similar Circumstances

Equality and the Right to Assistance

". . . nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws." (U. S. Constitution, Fourteenth Amendment.)

Public assistance is becoming legally mature. Traditionally, aid to needy persons was provided under early poor laws as a gratuity from the government, to be granted or withheld in the discretion of the administrative agency. The broad discretionary powers vested in those administering poor relief have furnished only a slight basis for reliance on the law and even less for reliance on court action to enforce any claim to public aid. Little opportunity was provided through the courts to invoke the principles of due process and equal treatment in the field of public relief. Such decisions as there were generally held these guarantees to be inapplicable.

With the enactment of the Social Security Act, public assistance entered upon a new era. The provisions of the Federal act called for a reevaluation of the rights of needy persons. The act established a new base for State public assistance programs in setting forth requirements which gave meaning to the purpose of the constitutional provisions as applied to the programs for the needy aged, the needy blind, and dependent children.

The first requirement for a State plan—that it must be in effect in all political subdivisions of the State—establishes the basis for applying to the assistance programs the principle of equal protection of the law for all persons, wherever they may live in the State. The requirement for State financial participation is premised on the financial responsibility of the State to maintain the program throughout the State. The requirement that a single State agency administer, or supervise the administration of, the program again emphasizes the singleness of the plan as a State program, not a group of local programs; and the requirement that any individual whose claim for assistance is denied must be granted an opportunity for a fair hearing before such State agency gives meaning to the principle of due process of law in public assistance.

For those provisions to carry out their intent, it necessarily follows that not only must the plan be in effect in all parts of the State, but it must be in effect in the same way for applicants and recipients of assistance in all parts of the State. The principle of equal treatment does not mean identical treatment. It does not mean that all recipients should receive the same amount of assistance. Nor does it mean that varying costs of living in different parts of the State may not be taken into consideration. On the contrary, it means that differences that have an objective basis must be reflected in variations in treatment. It means that people in similar circumstances shall receive similar treatment, wherever they may live in the State. To make it effective, moreover, the principle of equal treatment carries with it the right of enforcement.

For the States, the source of authority for operating the public as-

sistance programs is found in the State law. Applicants and recipients of assistance must look to the State law for their legal, enforceable right to assistance. The State agency administering the program must look to the State law for the authority to make the principle of equal treatment effective. Thus, the State law should constitute a sufficiently strong legal base to provide not merely authority but a mandate to the State agency to administer the public assistance program to assure equal treatment and support the right to assistance for all eligible persons.

A strong legal base gives the State agency the support of a legislative mandate in (1) requiring compliance by local agencies, (2) requesting appropriations adequate in amount to enforce and maintain the legislative mandate, (3) making determinations after appeals and fair hearings, (4) providing the court, in the case of judicial review, with the legal basis of agency decisions in individual cases, and (5) interpreting the program to individuals and the community.

In the 11 years since the Social Security Act became law, the States have made tremendous progress in the development of their assistance programs. Yet there is much to be done before we can say that our objectives have been reached. The recommendations which follow are directed toward strengthening the State law to support the principles of equal treatment and the right to assistance.

Statement of Legislative Intent

While some States may be considering a comprehensive legislative program for 1947, others may be planning to consider only selected subjects. In either case, we recommend that the State public assistance law include a statement to the effect that it is the intent of the legislature that the assistance program be administered uniformly throughout the State so as to assure equitable treatment to individuals in similar circumstances, wherever they may live in the State. The State law would be further strengthened by a provision to the effect that assistance is to be provided as a matter of right to eligible persons.

Such a statement would be particularly valuable in relation to provisions of the law which are subject to more than one interpretation, or in instances in which unduly restrictive interpretations have previously been made. Moreover, it would give general support to the objectives of the program even before all the necessary detailed legislative changes are made.

Standards for Assistance Payments

To meet the test of equal treatment, it is essential that differences in treatment of applicants and recipients with regard to assistance payments shall not result solely because they live in one locality rather than another, or because they are interviewed by one worker rather than another. The very nature of the public assistance program calls for individualized consideration of applicants' and recipients' circumstances as affecting their eligibility and amount of assistance. This fact places on the State agency the responsibility for taking all necessary steps to assure a uniform approach in considering the circumstances of all applicants and recipients of assistance. It therefore becomes important that the State agency establish the standards necessary to achieve this result. As has already been pointed out, this approach does not mean identical treatment, but rather that all persons similarly situated will be given similar treatment. The standards therefore must be State-wide in their application and should operate as the basis for measurement in establishing the amount of assistance needed to supplement any income and resources available to the individual applying for or receiving assistance.

In order that the State law shall establish the basic rights of applicants and recipients, we recommend that the law be strengthened to include the following three requirements:

1. Either (a) directing the State agency to establish standard living costs in money amounts, or (b) setting forth a minimum money amount representing the State's established minimum standard of living, and directing the State agency to establish standards for determining additional amounts for persons in specific circumstances; and

2. Directing the State agency to establish standards for consideration of the income and resources of applicants and recipients in determining the amount of assistance to be paid, and providing that only income and resources actually available and on hand for the individual's use be measured in determining the amount of the payment; and

3. Requiring that these standards (in 1 and 2) be in effect in all parts of the State, and, in locally administered programs, that the standards be mandatory on the locality.

Maximums on Assistance Payments

In the discussion of the 1946 Federal amendments earlier in this statement, we recommended the elimination of statutory maximums on assistance. With regard to improving State legislation to strengthen the principle of equal treatment, this recommendation is particularly pertinent, as the limit on assistance payments necessarily results in inequities whenever the maximum prevents some recipients from receiving sufficient assistance to meet the standard of living established by the State for its assistance recipients.

Delays in Accepting Applications and Granting Assistance

Because of insufficient funds, some States have denied eligible persons the opportunity to apply for assistance. In other States, for various reasons, long delays occur in granting assistance to eligible applicants. These practices obviously deny to some needy persons the assistance to which they are entitled.

In some States the wording of their laws regarding eligibility can be strengthened so as to assure all eligible applicants of their right to assistance. For example, a provision that "A person may be eligible for old-age assistance if . . .," is weak in comparison with a provision that all eligible applicants "shall receive" assistance.

We recommend that the State law specifically provide that the public assistance agency shall (1) accept applications from all persons who believe themselves eligible, (2) determine eligibility promptly, and (3) provide assistance without delay to all persons found eligible.

Appropriations for Assistance and Administration

The purpose of the public assistance program can be achieved only if sufficient funds are made available to provide adequate assistance to all eligible persons and to administer the program efficiently. We recommend that States make every effort to secure appropriations that will make this objective possible.

To provide maximum flexibility in a State's use of its available funds as indicated above, we recommend that the public assistance programs of an agency be financed by a single lump-sum appropriation, for all categories and covering both assistance and administration, to be paid from the general fund of the State rather than from earmarked taxes. States will need to consider particularly the State constitution and other State legislation of general applicability to all State agencies, in determining whether this recommendation can be adopted. Where such adoption is not possible, we recommend that the law be amended, if necessary, to permit transfers between funds and accounts. Such an authorization would avoid the anomalous situation in which a surplus of funds accumulates for one category while there is a deficit for another. These recommendations for lump-sum appropriations and transfer of funds are applicable for localities as well as for the State.

Allocation of Funds for Assistance and Administration

The additional funds available to the States under the Federal amendments provide an opportunity for all States, and particularly for those with local financial participation, to review and improve, if necessary, their present systems of financing and of allocating funds to localities. The corollary to the establishment of State-wide standards of assistance is the appropriation of adequate State funds and the allocation of the available funds among localities to make these standards effective.

To achieve equitable treatment for recipients of assistance, there must be a qualified staff adequate in number in all parts of the State to administer the programs. This requires the appropriation of adequate State funds for the costs of administration and their equitable allocation.

It is essential that any method of allocation of funds be such as to carry out effectively the principle of equal treatment. Whether or not there is local financial participation, it is important that the State agency allocate the available funds from State and Federal sources so that there will be substantially the same relationship between the total funds available (including local funds, if any) and the total amount needed for assistance and administration in each political subdivision of the State.

In States where the public assistance program is financed entirely from State and Federal funds, there is usually no legislative obstacle to an allocation of funds that can make equitable treatment possible of achievement. In most States that require local financial participation, the amount required is usually in terms of a uniform percentage of the total assistance payments in each locality. In these circumstances, the availability of local funds determines the amount of State and Federal funds which may be allocated to the political subdivision, and that factor may therefore preclude a satisfactory State-wide allocation of funds. We recommend that when there is to be local financial participation, it shall not take the form of a requirement that each local unit must pay a fixed and uniform proportion of the total amount of assistance or administrative costs to be expended within its boundaries. Whatever method of local financial participation is used, we recommend that the State law specifically authorize and direct the State public assistance agency to allocate funds from both State and Federal sources for assistance and administration so that there will be substantially the same relationship between the total funds available (including local funds) and the total amount needed in each political subdivision of the State.

In States that now have local financial participation, many factors will have to be considered, and the fiscal and legal aspects of the problem studied, before a satisfactory solution can be achieved. If local financial participation were eliminated, allocation of funds (from State and Federal sources) could be related directly to the needs of the various localities. With local financial participation retained, the same result could be achieved; however, it would then be necessary to formulate a basis for determining the local share that takes into consideration the fiscal ability as well as the assistance needs of the various localities.

Conditions of Eligibility

The recommendations included in this section are directed toward restrictive eligibility conditions which are neither required by the Federal act nor desirable. The elimination of these restrictions in State laws will enable States to make fuller use of available Federal funds, thereby permitting a State to increase the coverage of its existing programs and to make maximum use of the State's own resources. Moreover, some conditions of eligibility are difficult to administer and require subjective judgment which precludes uniformity in their application. Their elimination would facilitate the achievement of the principle of equal treatment.

These recommendations, with one or two exceptions, are not new. Many States have made substantial progress in liberalizing their assistance programs. A considerable volume of constructive public assistance legislation was enacted in the 1945 State legislative sessions.[1] Some States have extended coverage even beyond the limits of Federal financial participation. No State, however, has eliminated all conditions of eligibility not required under the public assistance titles of the Social Security Act.

Residence Requirements for Public Assistance

We recommend that States eliminate all eligibility requirements that relate to length of residence in the State.

Residence requirements are not mandatory under the Social Security Act. Such requirements in State laws keep some otherwise eligible persons from receiving assistance in which the Federal Government can participate. Considerable progress has been made

[1] See Berman, Jules, and Jacobs, Haskell, "Legislative Changes in Public Assistance, 1945," *Social Security Bulletin*, April 1946, pp. 8–15.

in repealing or reducing residence requirements. In 1945 the legislatures of six States made substantial reductions in their residence requirements for public assistance, and in 1946, two States abolished residence requirements.

As of June 1, 1946, there were no statutory residence requirements in 4 States for old-age assistance, 8 States for aid to dependent children, and 5 States for aid to the blind. Furthermore, for old-age assistance, 17 additional States had lower residence requirements than the maximum permitted in the Social Security Act. For aid to the blind, 18 States had residence requirements below the maximum permitted. For aid to dependent children, States with residence requirements generally had the maximum of 1 year permitted under the Federal act.

Since the end of the war, there appears to have been little diminution in the extent to which people move from one State to another, as compared with the war period when the movement of families and individuals reached an all-time high. People are moving for new job opportunities, and they are moving as a part of their individual adjustment to peacetime conditions. The motives that impel families to move are strong. There is no evidence that the availability of public assistance in other States is a significant factor in their determination to move. The imposition of residence requirements does not affect the flow of interstate movement and only makes the individuals who move and who are in need suffer if assistance is denied. The right to mobility of the American population demands that assistance be available to a needy person regardless of how long he has lived in the community.[2]

Citizenship Requirements

We recommend that States eliminate all citizenship requirements as a condition of eligibility for public assistance.

Citizenship is not a requirement under the Social Security Act. In 1945, 2 States repealed their citizenship requirements and a third waived such requirements for long-time residents of the United States. As of June 1946, 20 States still required citizenship for old-age assistance, and 4 additional States required either citizenship or long residence in the United States. For aid to the blind, 7 States specified a citizenship requirement for eligibility.

The imposition of a citizenship requirement for old-age assistance or aid to the blind results in the State's foregoing Federal financial participation in caring for some needy people. These individuals must either be cared for by general assistance programs or remain without assistance.

Age Requirements

We recommend that age requirements be deleted in aid to the blind; in aid to dependent children, we recommend that the age limit be raised to 18 years. (Federal financial participation in aid to dependent children between 16 and 18 years is limited to those who are regularly attending school.)

All States provide old-age assistance to persons 65 years of age and older. One State includes persons aged 60–65 but receives no Federal funds for this group. In aid to the blind, many States have a minimum age requirement ranging from 16 to 21 years. The effect of these requirements may be to deprive needy blind children of assistance in their own homes, since these children are not necessarily eligible for aid to dependent children and general assistance may not be available. One reason for the age requirement may be the thought that blind children would be taken care of in schools for the blind. It may not be necessary to place the children in such schools when, for example, appropriate educational facilities are available locally.

In aid to dependent children, several States have an age requirement which is more restrictive than that in the Social Security Act. In 1945, six States which formerly limited assistance to children up to 16 years of age made aid available to children from 16 to 18 years if they are attending school. Another State, moreover, eliminated the school attendance clause for children 16 to 18 years old. States which have age requirements of less than 16 years for aid to dependent children should examine their situation to see whether these limitations may not be raised in 1947 to at least 18 years. We recommend that this change be made without regard to school attendance. Experience has shown that this provision is difficult to administer and has served no constructive purpose.[3]

"Suitable" Home Provisions

We recommend that "suitable" home requirements be eliminated as a condition of eligibility for assistance, and that attention be given to strengthening, where necessary, the State's protective program for all children, whether or not they are needy.

Several State laws specify as a condition of eligibility for aid to dependent children that a child must be living in a home that is "suitable," or "satisfactory," or beneficial to the upbringing of the child. States have found it difficult to administer this type of provision. One reason has been the difficulty of establishing objective criteria for a "suitable" home that could be applied with some degree of uniformity to all cases. Another is the realization that, since inadequacies in the home are often due to insufficient financial resources, the denial of assistance in such situations has the anomalous result of depriving the applicant of the means by which he might remedy the situation.

The purpose of these provisions is to safeguard the welfare of children receiving aid. This purpose can be achieved more effectively through the State's general laws and programs for protecting all children in the State, whether or not they are needy. If there is an adequate protective program for all children, the reason for using the public assistance program for carrying out these protective functions disappears. If the protective program is inadequate, the remedy should be found in strengthening it. Attempts through the use of public assistance to meet inadequacies in the State's protective program for all children may have undesirable results. This approach tends to ignore the children who are not in financial need, results in duplication of effort

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[2] See Altmeyer, A. J., "People on the Move," *Social Security Bulletin*, January 1946, pp. 3–7.

[3] In the Social Security Act Amendments of 1946, Congress repealed the school-attendance clause in old-age and survivors insurance.

between agencies, obscures the need for strengthening the State's protective program for all children, and makes for difficulty and confusion in the administration of public assistance.

Disposal of Property to Qualify for Assistance

We recommend that provisions be eliminated that disqualify individuals for disposal of property to qualify for assistance.

An eligibility condition frequently found in one or more of a State's public assistance programs is to the effect that an applicant may be eligible if he has not disposed of property for the purpose of qualifying for assistance. This type of provision occurs most often in old-age assistance, though it is also found in many programs for aid to the blind and in a few for aid to dependent children. Some States specify a period, ranging from 2 to 5 years preceding application for assistance, during which a transfer of property for the purpose of qualifying for aid disqualifies the applicant from assistance. The experience of the States indicates that the number of cases affected is very small and that these provisions are difficult to administer effectively.

Such laws often result in barring applicants from assistance if they have transferred property within the specified period even though they had no intent to do so to qualify for aid. In most instances where potential recipients transfer property before application, the proceeds accruing from the sale would be available as a resource to be considered by the agency in determining whether the applicant is needy and the extent of his need. There are provisions in State laws with respect to fraud and illegal receipt of assistance. These provisions should be a sufficient safeguard against the relatively few cases in which there is an improper transfer of property to obtain assistance.

Responsibility of Relatives

We recommend that provisions conditioning eligibility for assistance on the ability of relatives to support the applicant be eliminated from State public assistance laws.

The assistance laws in many States provide not only that assistance received from relatives shall be taken into account in determining an applicant's need, but also that the existence of relatives considered able to support shall make an applicant ineligible for aid. In some instances it may be known that the relative is actually not contributing to the support of the applicant, and yet, because of the State law, assistance must be denied. The enforcement of such relatives' responsibility laws is sometimes tempered in the administration of the laws, yet the very existence of such provisions in the State assistance law represents a threat to needy individuals and subjects them to the uncertainties of administrative discretion. The income and resources of an applicant that are considered in determining need should be actual and not merely potential. The general support laws of the States provide the means of enforcing support from relatives if the individual or State wishes to take such action. The public assistance laws should not be used as a means of enforcing the support laws of the States.

Receipt of Two or More Types of Assistance

We recommend that State laws contain no provisions making recipients ineligible to receive other types of public assistance, except the provision, for compliance with the Social Security Act, that a recipient of aid to the blind may not simultaneously receive old-age assistance.

The Social Security Act requires that a State plan for aid to the blind must provide that such assistance will not be granted to anyone who is receiving old-age assistance. Recommendations to Congress for extension of the public assistance programs would, if adopted, result in eliminating this requirement. Many States have gone beyond the Federal act in providing that the recipient of one type of assistance may not receive any other public aid. Exceptions to this general provision are sometimes made for temporary medical or surgical care. This type of restriction works a hardship on a recipient if the program under which he is receiving aid does not furnish all the assistance he requires. The problem is especially apparent in programs which have maximums on assistance payments. Flexibility in administering the public assistance programs requires that the States should not be prohibited from granting more than one type of assistance whenever it is necessary or desirable.

Institutional Status

We recommend that provisions be eliminated which disqualify applicants for old-age assistance or aid to the blind because they are living in private institutions or because they need continued institutional care.

While the Social Security Act precludes Federal financial participation in assistance to inmates of public institutions, it is available for aged and blind recipients in private institutions. In a few States, however, individuals in private institutions are disqualified from receiving old-age assistance or aid to the blind. Some States disqualify aged or blind applicants if they need institutional care, even though they are not living in an institution; in some such cases, the necessary institutional care may not be available. These restrictions, which are not required by the Federal act, are particularly serious, since the need for shelter facilities for aged and blind people is increasing while at the same time, in many localities, satisfactory living arrangements for them are limited.

With respect to recipients in public institutions, the Federal Government may participate in the assistance payment if the recipient is in the institution for temporary care only. Recommendations have been made to Congress for amending the Social Security Act to permit Federal financial participation in assistance to recipients who are receiving care in public medical institutions (other than mental and tuberculosis hospitals), if the State has an approval or licensing authority responsible for establishing and maintaining standards for such institutions. No action has yet been taken on this proposal, however.

In developing a well-rounded program of public welfare, a State must give careful consideration to its institutional program as well as to public assistance, since it has a responsibility for caring for both groups. The State, therefore, should take leadership in studying its needs for institutional care, the adequacy of its institutions in both quality of service and capacity,

the need for licensing, supervisory, and standard-setting functions and authority, and the need for developing necessary institutional facilities under both public and private auspices.

Control of Recipient's Property

We recommend that provisions be eliminated that permit the agency to require applicants or recipients to transfer title or control of their property to the agency during their lifetime.

The Social Security Act does not require States to recover the value of assistance granted to needy individuals, nor does the Federal Government initiate efforts to recover money granted to needy persons; the act merely provides that, if the State makes recovery, the Federal Government shall receive its pro rata share.

The various security devices used by States—liens, assignments, transfers, mortgages, trust funds, and so forth—frequently require elaborate and expensive administrative practices. These practices may result in an undue emphasis on this phase of an agency's activities at the expense of the agency's primary responsibilities. Elimination of provisions permitting agency controls would not interfere with the ability of a State to enter claims and make recoveries from the estates of deceased recipients. We also recommend that the States not enforce claims against the property of a deceased recipient which is used as a home during the life of the surviving spouse.

Extension of Assistance Programs

Aid to Dependent Children

We recommend extension of State programs for aid to dependent children to include all needy children up to 18 years of age who are living with a parent or person assuming parental responsibility for such children in a family home.

This recommendation would extend assistance to some children for whom payments are not subject to Federal financial participation under the present provisions of title IV of the Social Security Act. The recommendation does not include children living in institutions or those in foster homes or boarding homes. The parental responsibility for children in such homes rests with the parent or the agency, with the foster parent in a limited role and under supervision.

It is recognized that the present scope of title IV is unduly restrictive in meeting the problems of needy children. Some States have already developed more extensive programs. A few States, for example, have deleted the school attendance clause for children aged 16 and 17, and in some States with a more extensive program the Federal definition of "dependent child" is used only in determining the assistance payments for which Federal financial participation is available. The adoption of this recommendation, and of that for deleting maximums on assistance payments, would enable States to develop a more nearly adequate assistance program for needy children.

General Assistance

We recommend further development of State public assistance programs to encompass all needy persons not covered by the special types of public assistance.

At present there is no Federal participation in general assistance. The Social Security Administration has recommended Federal grants-in-aid for general assistance, and bills to that effect have been introduced in Congress. Such a program is needed to meet the objective of aid to all needy people. It is recognized that in many States Federal participation may be necessary before a full and adequate general assistance program can be developed. All States, however, have some form of general assistance. In some, the general assistance program is comprehensive, while in others it is in effect only to a very limited extent, both in terms of coverage (for example, only emergency relief) and in the areas covered (for example, only some parts of the State). In about one-fourth of the States, general assistance is administered entirely by the localities without State supervision.

Many States may be in a position at this time to take steps to relate their present general assistance program to the total public assistance program in the State. They may, for example, provide for vesting responsibility for general assistance in the State agency responsible for the special types of assistance, for integrating administration at the local level with the other programs, for coordinating financing and fiscal planning more effectively, for operating a State-wide program of general assistance, and so on. The extent to which States may go forward will depend on the stage of their development and on the resources available. Many of the problems involved will not be solved easily, and it is suggested that early attention and study be given to them so that a State may determine just what it can do by its own efforts and in what areas supplementation will be necessary.

To give full effect to the objective of general assistance, need should constitute the only condition of eligibility, and there should be no statutory maximums on the amount of assistance payments which may be provided for an individual or family. These recommendations are particularly important for States which restrict coverage and the amount of assistance payments under the programs for the aged, the blind, and dependent children.

One major subject for consideration is the elimination of residence and settlement laws. These laws have constituted one of the greatest obstacles to the development of a sound public assistance program. Hardships for needy persons and complexities and expensiveness of administration have characterized the application of residence and settlement laws in the United States.

Medical Care

We recommend further development of programs to provide medical care to needy persons.

Nearly all States have some provision for making medical care available to recipients of public assistance. Public assistance programs vary greatly, however, in the scope and adequacy of the medical services that are made available and in methods of administering medical care. In some States the cost of medical care is included in the assistance payments; in others, costs are paid by the public welfare agency to the medical practitioner (the doctor, dentist, nurse) or to the agency (the hospital, convalescent home, and the like); and in still other States, the public wel-

fare agency itself provides medical services through physicians, dentists, and nurses who are employees of the agency. Federal funds are available, within the maximums specified in the Federal act, only when the cost of medical care is included among the requirements considered in determining the amount of the assistance payment.

A well-rounded public welfare program should include provision for medical care for all needy persons. The high incidence of illness among low-income groups is generally recognized. Unless the public assistance agency makes medical care available to people who cannot afford it, those persons are all too frequently unable to obtain it otherwise. Evidence is cumulating that the failure to make suitable provision for medical care tends to perpetuate as dependents many persons who could be restored to full or partial self-support.

Determination of the scope, adequacy, and method to be used in providing medical care in a given State will depend on a consideration of many factors, including the State's laws; the agency's present program; the medical services available in the community under both public and private auspices; the participation of local medical associations; the amount of money available for medical care and the agencies to which the money is available; and the medical care plans in operation, both governmental (Federal, State, and local) and private or voluntary (group hospitalization, group health, Blue Cross plans, and so on).

Provision of medical care for needy persons cannot be considered apart from the adequacy of assistance payments. Maximums on assistance payments prevent such payments from meeting the needs of sick people. Only with an adequate assistance program alongside it can a program for providing medical care to needy persons serve its purpose.

The State public assistance law should include authority for States to make provision for medical care for all needy persons, to make payments to the suppliers of medical care, to participate in insurance plans, and to determine the scope of the medical care program.

Unification of Administration

We recommend that, where necessary, legislation be enacted to provide for unification of administration by placing responsibility for all the public assistance programs, including general assistance, in one State agency and, at the local level, in one local agency or branch of the State agency.

One State Agency

While the programs for the aged, the blind, and dependent children are administered or supervised by one State agency in all but five States, there are many States in which general assistance is under another State agency or is purely a local responsibility with little or no State leadership.

Handling of all the public assistance programs, including general assistance, by one State agency permits coordinated administrative and financial planning, which results in better balanced provisions for meeting need. At the same time, it would also enable specialized treatment to be provided in accordance with the particular needs of individuals and groups affected.

One Local Agency

It is desirable, for similar reasons, that one local agency administer all the public assistance programs in the locality. All requests for aid can be received at a central local office, and the applicant, freed from the necessity of going from agency to agency, can obtain the type of aid appropriate to his particular needs and those of his family. In addition, administration can be more efficient and economical when administrative, supervisory, and technical personnel can work on all types of assistance.

Unified administration facilitates the consideration of family needs as a whole. One agency can provide all the assistance, and duplicate investigations can be avoided.

(*Continued from page 2*)

December 1, of the regional staffs of the Children's Bureau with the Administration regional offices on the same basis as the other Bureaus.

In announcing the consolidation, the Social Security Administration pointed out that the step is intended to ensure proper relationship among the various programs for which the Social Security Administration has responsibility within a region, and also adequate coordination of services, policies, and relationships within the States. As is the case with the other Bureaus and Offices, the Children's Bureau, through its headquarters and regional staffs, will continue to have basic responsibility for the content of the programs that it administers and the development and operation of policies relating to them.

Working out the details of the consolidation was complicated by two factors, in addition to the problem of acquiring the necessary space accommodations. Existing regional arrangements for Children's Bureau staff were not identical for child welfare consultants assigned to the Social Service Division and for the medical, nursing, nutritional, and medical-social personnel who make up the health consultant staff of the Division of Health Services; and the location of regional headquarters and the States included within the regional boundaries were in some cases different from those of the Social Security Administration regional offices.

Adjustments have been worked out, however, which, when effectuated, will bring both the regional boundaries and the headquarter cities into very close uniformity.

Wherever possible, the child welfare and health consultant staffs will be housed together in the regional office. The child welfare consultant and the medical director will serve in the capacity of regional representatives, but without change in present title.

Financial Aspects of Medical Care Insurance

By I. S. Falk*

This article is a summary of data developed and presented at greater length in a monograph on Medical Care Insurance.[1] Only the financial aspects are summarized here, and general specifications for the medical care benefits are included only in such detail as seemed necessary to indicate the basis on which the cost estimates were developed. To clarify points that are only briefly covered in this article, the reader is referred to the monograph.

IN ITS ANNUAL REPORTS to Congress, the Social Security Board recommended the expansion of our present social security program to include insurance against the costs of medical care as part of a comprehensive national social insurance system.[2] It also recommended that the social insurance system include protection against wage or income loss during sickness and prolonged disability. These two measures together, it believed, would close the most serious gaps in our present social security program.

The underlying facts and considerations which persuaded the Board of the need for medical care insurance have been summarized elsewhere.[3] Before the Board recommended an insurance program to meet this need, it considered in some detail the scope, specifications, administrative framework, and costs of such a program. The results of some of those studies, carried on over a number of years, are summarized here—especially as they focus on the financial aspects of the program.

The costs of a national program of medical care insurance would depend mainly on three groups of factors: the size and composition of the population eligible for benefits; the scope and nature of the benefits; and the rates of payment for services and commodities provided as benefits.

Coverage

It is a basic premise of these studies that, from a financial point of view, it is desirable to set eligibility conditions for medical care insurance so as to include as much of the population of the United States as possible. Comprehensive coverage would operate in the direction of maximum protection at minimum per capita cost. Most of the population could be brought into the insurance system by the two methods proposed by President Truman in his Message[4] to Congress on a national health program: direct compulsory coverage for workers and their dependents, as in the case of other social insurance systems; and supplementary coverage for other groups through contracts between the insurance system and other public agencies.

If no occupation group were excluded from coverage, some 80 to 90 percent of the population, depending on the precise nature of the eligibility conditions, could acquire protection as gainfully occupied persons or as their dependents. Any definition of a gainfully occupied person would be somewhat arbitrary, but a minimum qualifying income of, say, $150 or $200 per annum would include all but those who are only occasionally occupied in gainful employment. An alternative eligibility test of, say, $50 in each of 6 calendar quarters in the previous 3 years would serve the same purpose, and would also tend to give additional stability to the size of the eligible population. If the self-employed who have gross or net earnings of, say, $500 and who report net income of at least some minimum amount were also eligible, approximately all gainfully occupied persons would be covered.

To achieve broad coverage, a "dependent" might be defined as any individual who relies substantially on the gainfully occupied person for support. But such a definition of dependents would involve some difficult administrative decisions. It is possible that, at the outset, dependents should be defined as those classes of persons whose actual dependence for support on the worker may be generally presumed.

Such concepts applied to all gainfully occupied persons, regardless of their occupation, and to their dependents, would result in including nearly 90 percent of the population if employment continued at high levels, and somewhat less than 85 percent under less favorable conditions. If employment coverage were limited by excluding certain occupation groups, these percentages would be lowered.

Supplementary arrangements for coverage, between the insurance system and other agencies, might include persons entitled to other social insurance benefits, beneficiaries of other public retirement systems, the needy, and—if they were not covered directly—State and local government employees (and their dependents).

In arriving at estimates of total costs for the insurance program, some of the possible variations in coverage which are noted here (national, total labor force, limited labor force) are considered separately.

Scope of Benefits

The scope and content of medical and related benefits will determine to a large extent the per capita costs of medical care insurance. The objectives of such an insurance system are to provide, on a social insurance basis, ready access to essential preventive and curative medical services for insured persons and their families and to protect the insured population against the uneven and unpredictable costs of such services. Medical services should be as inclusive as possible, and, although as a practical matter it might be necessary to limit some services at the outset, eventually

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[1] *Medical Care Insurance, A Social Insurance Program for Personal Health Services*, Report from the Bureau of Research and Statistics, Social Security Board, to the Committee on Education and Labor, U. S. Senate. Committee Print No. 5 (79th Cong., 2d sess.), July 8, 1946.

[2] See also pages 3–7 of this issue.

[3] *Need for Medical Care Insurance*, Bureau Memorandum No. 57 (second edition), Report from the Bureau of Research and Statistics, Social Security Board, to the Committee on Education and Labor, U. S. Senate. Committee Print No. 4 (79th Cong., 2d sess.), March 1946.

[4] See "A National Health Program: Message from the President," *Social Security Bulletin*, December 1945, pp. 7–12.

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medical care insurance may be expected to provide as benefits:

1. Physicians' services in the office, home, and hospital:
   a. General practitioner or family physician services;
   b. Specialist and consultant services;
2. Essential laboratory and related services for nonhospitalized persons;
3. Hospital and related services;
4. Dental care;
5. Home nursing; and
6. Prescribed medicines, appliances, and so on, for nonhospitalized patients, or at least those items among these commodities which are relatively expensive to the individual patient.

Although it is desirable to make medical and related benefits, which are essential to good health, as complete as possible, it is not feasible to offer unlimited benefits. Shortages and maldistribution of personnel and of hospital and other facilities would compel the acceptance of restrictions at the outset; but such restrictions should be abandoned as soon as practicable. In addition, certain "luxury" services, such as private hospital rooms or special nursing services when they are not essential to adequate medical care, wholly cosmetic dentistry, unnecessary and inexpensive drugs and appliances, need not be offered.

In addition to these direct benefits, there are several "indirect" benefits and costs which must be reckoned with in estimating expenses. For example, provision should be made for augmented support of medical research and education if the insurance system assumes responsibility, as it should, for continued progress in the quality of service rendered to beneficiaries; certain "incentive" payments may be made to encourage practitioners to settle in communities where their services are needed rather than where the professional or economic advantages are greatest; and the expenses of administration should be included.

Rates of Payment for Services

Estimates of the costs of a medical care insurance program will be greatly affected by the rates of payment for services and commodities provided as benefits. In developing cost estimates, it was assumed that rates of payment under the insurance system should approximate, on the average, customary rates for equivalent services and commodities in noninsurance practice. For example, national average rates of payment for service should yield to participating practitioners incomes as high as, or higher than, what they earn *on the average* in noninsurance practice.

All rates used in these studies are intended to represent national averages. Within a prescribed range, for any such average there could be considerable variations in rates among classes of practitioners or among hospitals in the same locality as well as among localities; rates of payment would be higher for qualified specialists than for nonspecialists; hospitals could be paid according to the cost of providing service. The incomes of individual practitioners would still depend not only on the rates of payment but also on the number of insured persons they serve if they have chosen to be paid on a per capita basis, or on the number of services they furnish if they have chosen fee-for-service; and factors appropriate to salary payments would govern if practitioners have chosen this method of payment.

The estimates included in this summary are related to experience in earlier years, but they have been adjusted for conditions prevailing in 1946 and expected to apply to the near future. All costs are cited with respect to "current and prospective price and income levels." Since the data from which these estimates were derived referred to prevailing incomes, rates of payment, and so on, at the price and income levels of the earlier years for which such data are available, adjustments were made to bring the costs up to present levels.[5] The rates of payment for services and commodities would have to be geared to long-range economic changes, and hence they would have to be subject to occasional or periodic adjustment.

The estimates of total costs have reference to the insurance program which could be established at the outset and to a program such as might be in operation 5, 10, or 15 years later. Limitations of personnel and facilities would tend to create lower costs in the beginning, and provision is made for increased costs as the deficiencies are met and the benefits expanded. These increased costs would be offset somewhat by reductions in need for services as conditions resulting from accumulated neglects are reduced.

[5] For detailed treatment of this point, consult Chapters VI, IX, X, XI, and XII and Appendix D of *Medical Care Insurance, A Social Insurance Program for Personal Health Services.*

Table 1.—*Summary of illustrative per capita costs* [1]

Item	Initial or early year				195X			
	Per capita costs with item		Percent with item		Per capita costs with item		Percent with item	
	2 (a)	2 (b)	2 (a)	2 (b)	2 (a)	2 (b)	2 (a)	2 (b)
Total	$28.76	$25.95	100.0	100.0	$38.93	$35.20	100.0	100.0
1. Physicians' services [2]	14.58	14.58	50.7	56.2	16.18	16.18	41.6	46.0
2. Hospital services:								
(a) Minimum service benefit	7.19	-------	25.0	-------	9.35	-------	24.0	-------
(b) Minimum cash benefit	-------	4.38	-------	16.9	-------	5.69	-------	16.2
3. Dental care	3.00	3.00	10.4	11.6	7.13	7.13	18.3	20.2
4. Home nursing	.51	.51	1.8	2.0	1.24	1.24	3.2	3.5
5. Laboratory, medicines, and appliances	3.38	3.38	11.8	13.0	4.29	4.29	11.0	12.2
6. Research and education	.10	.10	.3	.3	.74	.67	1.9	1.9

[1] Based on analysis which did not contemplate any exclusions from coverage on the basis of income. If population groups were excluded from coverage because of earnings or income in excess of some specified amount, these per capita figures would need to be reduced because they were computed on assumptions intended to yield adequate incomes for doctors, dentists, and hospitals serving all income levels. A fixed contribution rate (a percentage of earnings) paid only by lower-income groups would yield less in total dollar and in per capita amounts than if paid by both upper and lower-income groups. Also, if the insurance system were paying only for services furnished to lower-income groups, the per capita payments from the insurance system should necessarily be lower than if the coverage included all income groups. Also, if occupational exclusions significantly affected the ratio of dependents to workers, or the age composition of the insured group, the per capita costs might be lower or higher than those used here.

[2] Per capita costs for the services of physicians are based on estimates which utilized only the numbers and incomes of doctors of medicine. If other practitioners of the healing arts (osteopaths, chiropractors, etc., licensed or permitted to practice by the States) had been included, the numbers of practitioners, the ratios to population, and the per capita costs would have been larger, and correspondingly, total costs estimated from per capita costs would also be larger by a comparatively small proportion of the total costs.

Physicians' Services

Costs of physicians' services would constitute roughly about one-half of all costs under the insurance program, and consequently they represent the largest single item of expense. On a national basis, unlimited access to the general practitioner was assumed for the insurance benefit, although some communities might have to restrict some phase of physicians' services for a limited time because of circumstances peculiar to the community. Some restrictions would presumably have to be imposed upon the use of specialist services; it was assumed that access to the specialist would require referral by the general practitioner or other attending practitioner, except in unusual or special circumstances.

The estimates of payments to physicians were related to average incomes recorded for past years. Variations in physicians' incomes with respect to age of physician, size of community, specialization, and the like, were considered, as well as year-to-year trends in payments for physicians' services compared with per capita income for the population as a whole.[6]

An upward adjustment was made for an expected increase in the use of physicians' working time by comparison with the conditions prevailing in the years for which the basic income data apply. An investigation[7] of the number of physicians engaged in private practice (prewar and postwar) indicates that the full-time equivalent of the services of 1 general practitioner could be immediately available for about every 1,500 persons, or about 92,000 general practitioners for about 140 million persons, if all physicians participated in the insurance system.

At a future time, 5, 10, or 15 years later, a ratio of 1 general practitioner to about 1,250 persons would seem to be a desirable and an attainable goal. Similarly, it was estimated that the full-time equivalent of about 40,000 specialists could be available immediately for the total population, or about 1 per 3,500 persons.

It was estimated for present purposes that general practitioners should expect to receive under the insurance system, if their practice is given over wholly to insured persons, about $11,250 per annum, on the average. For specialists who would meet high standards of certification, the corresponding average figure was about twice as high, or about $22,500 per annum. For partial specialists, the average would fall between these two figures. These figures were used as the basic *average* annual gross incomes which the insurance system would be expected to pay physicians at current and prospective price and income levels.

These national annual average incomes and ratios to population are equivalent to $7.40 a year per person for general practitioners and $6.43 per person for specialists' services. Taken together, these average per capita amounts equaling $13.83 per person would be the average direct payments to those physicians who furnish medical services to the insured population. These should, of course, be regarded as the gross payments to them, covering their customary expenses of practice as well as supplying their net incomes. The amounts include supplementary mileage or equivalent allowances for practitioners in sparsely settled areas, a contingency operating fund for various miscellaneous professional and other expenses which may be necessary in meeting unusual circumstances, and an item for educational allowances, estimated to equal about 75 cents per capita for general practitioner and specialist services combined. In addition, it is assumed that another 75 cents per capita would be needed for administrative costs for these services.

Thus the total annual costs per person for physicians' services would be about $14.58. If the total per capita rate (exclusive of administrative costs) is applied to a population of about 140 million, it implies total payments to physicians of nearly $2.0 billion a year. In later years, when the present ratio of 1 general practitioner for about 1,500 persons may be expected to have improved to about 1 for 1,250 persons, total costs for physicians' services for a population of 140 million would amount to about $2.3 billion, and aggregate costs for the expected total population in 1960 or 1970 would, of course, be proportionately larger. Since these totals are based on the per capita rates, they would be proportionately less if applied to less than the total population in any year.

Hospital Care

Hospital care, as used here, is intended to cover the ordinary case of acute or semiacute illness, and refers to services furnished to in-patients. (Out-patient care was treated in this study as the equivalent of physicians' services, laboratory services, and so on, and included in those categories.) It would be desirable for the insurance program to offer protection to patients who are chronically ill, but the lack of facilities would probably postpone provision for such care to some time in the future. This postponement does not preclude development of facilities and provision of payments for care of the chronic sick under categorical or general public programs for institutional care.

The exact content of in-patient care cannot be defined precisely for all localities in the United States. It may, however, be described as comprising all care necessary for the health, safety, and recovery of the patient, and including at least:

1. Bed and board;
2. Such medical and related services as are customarily furnished by the hospitals of an area as an accepted part of hospital care;
3. General nursing care, and special nursing care when essential to the patient's welfare;
4. Use of operating and delivery rooms, and provision of anesthesia services;
5. Essential medications, dressings, and other customary supplies;
6. Laboratory, X-ray, and related auxiliary services; and
7. Essential ambulance services.

Either of two basic patterns may be followed in the design of hospitalization benefits: a cash benefit, payable to the insured individual for each day of hospitalization; or a service benefit, payable to the hospital to reimburse it for actual costs incurred in furnishing services to the insured individual.

Available data on the per diem amounts charged by hospitals for

[6] Total payments to physicians in former years are treated in Chapter VI of the complete monograph.

[7] Ibid., pp. 35, 40.

their least expensive facilities in various parts of the country and in various types of communities suggest that a nationally uniform (minimum) cash benefit per day of hospitalization should be about $4–5. Such a benefit might be made payable for a maximum of, say, 30 days, with provision for a reduced benefit up to, say, 60 or 90 days, in accordance with lower costs of furnishing extended care.

Unlike cash benefits, which would probably have to be nationally uniform and hence a minimum amount, service benefits could vary by hospitals or by areas. Data on hospital costs[8] suggest an *average* rate of payment for service benefits in the range of $6.50–7.50 per day for, say, the first 21 or 30 days in a period of hospitalization. These average per diem amounts include the higher costs for the first days of a hospital case and the lower costs for later days and apply to the costs for ward or other least expensive facilities.

Total expenditures for hospitalization will also depend on the amount of hospitalization. This is difficult to estimate precisely in the absence of detailed specifications. However, recent and current experience[9] indicates that in the near future the insurance system would probably be obligated to pay annually for about 1 hospital day per capita (assuming a maximum duration of benefit between 30 and 60 days per annum). Some years later the total rate of general hospitalization might rise to 1.25–1.5 days per capita and require the insurance system to pay for 1.1–1.3 days per capita.

Applying the per diem dollar range of $6.50–7.50 for the service type of benefit to a rate of 1.0 day of hospitalization per capita for an early year, and to a rate of 1.3 days for a later year, and assuming that the coverage applies to 140 million people, the indexes yield totals of about $1.0 billion a year for an early year and about $1.2–1.4 billion a year for a later year. If the type of benefit were minimum cash payments to the insured persons, at $4–5 per day, the total disbursements from the insurance funds would be less but the supplementary payments from patients to hospitals would be larger than with a service benefit.

A contingency reserve against years in which the income of the insurance system might be less than average need not be very large, because declines in such income are not likely to exceed as much as 10–25 percent a year except in extreme circumstances. With the help of such a reserve, rates of payment to hospitals would not need to be adjusted frequently.

[8] Ibid., p. 86.
[9] Ibid., p. 81.

Dental Care

If a program of complete dental care for everyone were to be put into effect, including provision for accumulated dental neglect of the past, the services of two to five times as many dentists as are now available would be required, the estimate depending on actual demand. Only a limited program, possibly including comprehensive services for children and limited services for adults, would be possible at first, with provision for expansion of services when more personnel became available.

The cost of a dental program to the insurance system would depend not only on the scope of services intended to be offered but also on the extent to which the dental manpower of the Nation would be available to participate in the system. The incomes of dentists, like those of physicians, would depend on the rates of payment for services (general practitioner or specialist) and the size of the practice each can achieve for himself. On the basis of dentists' incomes for earlier years,[10] it seems reasonable to suggest rates of payment for service that would yield national average annual *net* incomes for general dental practitioners of $6,000, and $10,500 for qualified dental specialists (approximately equivalent to average gross incomes of $10,000 and $17,500 a year, respectively).

A conservative approach to estimating the cost of a dental service program to the insurance system, without more exact knowledge of the initial limitations that would be unavoidable, suggests that a program involving annual insurance expenditures of about $3 per capita may be practical at the beginning, with an expectation of expansion of service to a later per capita cost of a little more than $7. For a population of 140 million, these per capita costs amount to a total of about $0.4 billion for an early year, and about $1.0 billion for a later year as the scope of services is increased.

Home Nursing Care

Bedside nursing care in the home should be provided both as a service to the sick and for economy in providing care. Many patients (such as convalescents, chronic sick, and mildly ill) can be cared for in the home, rather than in hospitals, if home nursing service is available. Economical and effective use of pro-

[10] Ibid., p. 103.

Table 2.—*Summary of illustrative costs for several assumed coverages*

Year and scope of benefits	Per capita costs	Total costs (in billions)		
		"National" [1] (140,000,000 persons)	"Labor force" [2] (120,000,000 persons)	"Limited" [3] (100,000,000 persons)
Initial or early year:				
With minimum service hospital benefit	$28.76	$4.03	$3.45	$2.88
With minimum cash hospital benefit	25.95	3.63	3.11	2.60
195X:				
With minimum service hospital benefit	38.93	5.45	4.67	3.89
With minimum cash hospital benefit	35.20	4.93	4.22	3.52

[1] Per capita costs multiplied by 140 million. These figures are useful in comparing the cost estimates with recent or current national income and national expenditures for medical care.

[2] Per capita costs multiplied by 120 million. These totals are illustrative of the approximate costs if the coverage includes (a) all gainful workers meeting the eligibility requirements suggested, and (b) dependents, rather broadly defined (including wives, children under 18, disabled children and husbands, and dependent parents). This coverage would have included about 83 percent of the population in 1941 and would include about 84–88 percent of the population in each of the next few years depending on the level of wages and employment.

[3] Per capita costs multiplied by 100 million. This coverage would obtain if some major occupation groups were not included and if dependents were narrowly defined, or if the coverage of the present system of national old-age and survivors insurance were adopted, with some expansion. At this level, coverage would involve about 70 percent of the present population. The eligibility conditions accompanying or resulting in such coverage might have to be somewhat more restrictive (to distinguish eligible from ineligible persons) than was suggested.

fessional nurses requires the extensive use of practical nurses, to function under the supervision of professional nurses and physicians.

Since the scope of home nursing benefits would depend to a large extent on the nursing personnel that will prove to be available in postwar years, costs would be determined largely by the supply of nurses and the rates of payment for service.

It is generally agreed that average rates of payment for nurses should be higher than they have been or are. It was assumed in this study [11] that the insurance system should expect to pay for nursing services at rates which yield approximately the following average annual incomes for nursing personnel serving insured persons:

Supervisors	$3,460
Professional staff	2,530
Practical nurses	1,600

Some gradation of income should be provided to take into consideration different degrees of competence and responsibility, and some difference in rates may need to obtain for different types of community. However, variations around the average should not permit unreasonably low minimum incomes.

It has been estimated [12] that minimum standards for a program of bedside nursing care in the home would require a staff of about 14,000 professional and about 28,000 practical nurses, with a supervisory staff of about 4,000–5,000, for a population of 140 million persons. If the full quota of staff for a minimum-standard program were immediately available, the initial annual cost for this phase of the insurance program would be between $93 and $106 million a year, at the stated rates of payment. If, however, only about 10,000 professional nurses and an equal number of practical nurses were available at the outset of the program, the initial cost would be about $47 million annually. A fully comprehensive program, such as might be in operation a decade after the start of the insurance program, might require, according to one estimate, about 70 million visits annually for 140 million persons, and would cost about $116 million. If convalescent patients and certain chronic disease patients who are now hospitalized but would be as effectively cared for at home, and others who need but are not receiving either hospital or home nursing care, are provided with home nursing service, the total nursing load might become twice as large, involving a cost of, say, $232 million.

Without more precise specification of the scope of benefits and more reliable information on the anticipated supply of available nurses, it is difficult to estimate costs for this part of the insurance program. The several alternatives mentioned are illustrative. For the purpose of this study, rounded figures were used, yielding per capita costs for the initial year of about 50 cents and, for a year 5, 10, or 15 years later, of about $1.25. For a population of 140 million, these per capita figures amount to about $70 million and $175 million for the early and later year, respectively.

Laboratory Services, Medicines, and Appliances

The scope of benefits in this classification should be determined on the basis of their role in the provision of high-quality care, importance as preventive measures, expense to the patient, and adaptability to administrative and financial controls. These criteria would probably be the main limiting factors in providing these benefits, since shortages of personnel or commodities are not likely to limit this part of the program.

Laboratory services under the insurance system are intended to include analyses ordinarily performed for purposes of diagnosis, prevention, and therapy; they also include X-ray diagnosis and therapy, radium therapy, and certain types of physical therapy treatments, of demonstrable medical value. In estimating the costs of such services, it should be noted that an increase in demand may be expected when an insurance system is put into effect, and that large proportions of such services are already covered in the cost estimates for hospital care, physicians' services, and so on, and are available through existing State and local health departments.

A review of the fragmentary information available on current expenditures for laboratory and related services for nonhospitalized patients suggests an initial annual budget of about $150 million, in round numbers, for services of this nature not already provided for through other channels. An increase of 50 percent (up to $225 million a year) is tentatively suggested for a period 5, 10, or 15 years later.

In estimating the costs of medicines and related supplies, it is suggested that the potential scope of the insurance benefit should be restricted to medicines and related supplies which are prescribed by physicians, dentists, or other practitioners licensed to write prescriptions and which may involve burdensome costs. Payments for medicines and related supplies would cover the professional services of pharmacists as well as the costs of the commodities.

A review of available data suggests that expenditures for medicines and related supplies for nonhospitalized patients might involve an annual expenditure of $75–150 million a year to meet minimal needs; about $100 million is tentatively used in the estimates. A higher figure ($150 million a year) might be justifiable for expenditures in the later years.

The extent to which the insurance system would need to be responsible for orthopedic and prosthetic appliances would depend in large measure on the degree to which similar provisions obtain under other Government programs. Such appliances would include eyeglasses, hearing aids, artificial limbs and members, artificial eyes, and aids to locomotion. In estimating the cost of eyeglasses, it is necessary to include not only the lenses and frames but also the professional services involved in prescribing them.

Since there are many persons who have already developed a need for such appliances, especially eyeglasses, the annual expenditures under the insurance system might have to be larger in the first than in later years. For the purpose of present estimates, intended to be minimal, $37.5 million a year was used for appliances and $187.5 million a year for eyeglasses and optometric services, or a combined total of $225.0 million a year.

An estimated total of about $475 million for an early year and about

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[11] Ibid., pp. 116–118.

[12] Ibid., p. 114.

Table 3.—*Illustrative costs, with and without dental and home nursing benefits*

Item	Per capita costs		Total costs (in billions)	
	Initial or early year	195X	Initial or early year (120,000,000 persons)	195X (120,000,000 persons)
All:				
With minimum service hospital benefit	$28.76	$38.93	$3.45	$4.67
With minimum cash hospital benefit	25.95	35.20	3.11	4.22
All, exclusive of dental and home nursing benefits:				
With minimum service hospital benefit	25.25	30.56	3.03	3.67
With minimum cash hospital benefit	22.44	26.83	2.69	3.22

$600 million for a later year may be suggested for laboratory services, medicines, and appliances to be provided as minimum insurance benefits of these classes to a population of about 140 million.

Research and Education

In accepting broad financial responsibility for a reasonably adequate amount of high quality service, the insurance system might properly supplement the present inadequate financial support for research and education—as a contribution to quality of care and progress in medicine. Such a program of subvention might include:

1. Grants, stipends, or subsidies to the professional participants in the insurance system, to enable and encourage them to attend postgraduate and "refresher" courses, in order to provide opportunity for periodic review of professional studies, for familiarization with modern advances, and for specialization;
2. Grants-in-aid to nonprofit agencies for expansion of professional educational and training resources in fields in which shortage of personnel handicaps the provision of needed services (including medical, dental, and nursing schools) and for training of auxiliary practitioners, assistants, and technicians;
3. Grants-in-aid to support studies, demonstrations, and experiments concerned with clinical aspects of the prevention of disease or physical impairment, diagnosis, and therapy, and with the organization and administration of services.

In order to supplement present expenditures, an initial allocation of from $5–10 million for the first year of operation for research and an equal amount for education seems to be a reasonable estimate of an amount that could be used effectively. For the purposes of including these items in the tentative balance sheet of the insurance system, a rule of thumb was used: for an initial or early year of program operation, $10 million was included for education and research; for a year 5, 10, or 15 years later it was suggested that the amount be 2 percent of the total expenditures for all medical services.

Total Costs

The total costs will depend in part on the scope and the detailed characteristics of the benefits to be provided, and in part on the population to be covered by the system. Although many aspects of these factors have had to be left in alternative forms, and ranges were used for many items, midpoints of the ranges give the per capita costs included for illustrative purposes in table 1. Since some of the benefits are limited at the outset, but are expected to become more comprehensive in the course of time, their costs are expected to increase. Also, personnel and volume of services are expected to expand—even for some which are not specifically limited. The figures are, therefore, shown both for an initial or early year of operation and for a year 5, 10, or 15 years later (195X). The totals, identified as benefit costs, include administrative costs.

The table also shows the percentage distribution of costs by type of benefit, using for hospital care the alternatives of a minimum service benefit and a minimum cash benefit. As the dental care and home nursing programs are expanded, the proportionate costs of other services are decreased. In the initial year, the per capita cost of medical care insurance would be about $29 with a hospital service benefit and about $26 with a hospital cash benefit. In 195X, when benefits would be more comprehensive, these annual per capita costs would be increased by about $10.

Conversion of these per capita costs into total costs requires an assumption as to the total coverage of the insurance system. Coverage could be national, in which case the figures should be multiplied by 140 million for the present (as is done in table 2), and by a somewhat larger figure for a future year, allowing for an expected population increase. If the coverage is less than total, the per capita figures should be multiplied by some smaller figure. Total estimated costs, derived from the per capita costs, are therefore shown in table 2 for 3 of the many possible coverages, but in each case—for the sake of simplicity in the table—the coverage is arbitrarily kept constant for the early and later years of operation.

Since dental care and home nursing are the benefits most likely to have to be restricted, or possibly financed from general revenues—especially in the early years when they are expanding—per capita costs and total costs are estimated in table 3 both with and without these benefits.

An illustrative coverage of 120 million persons is used, and costs are shown with alternative types of hospital benefits. For the initial years of operation, total costs would range from about $2.7 billion for benefits excluding dental and home nursing services and using a minimum cash hospital benefit, to about $3.5 billion for all services, using a minimum hospital service benefit. The corresponding range for 195X is from about $3.2 billion to about $4.7 billion.

Insurance Contribution Rate

The rate at which contributions would need to be levied to derive adequate revenues for financing medical care insurance may be estimated by relating that part of the costs which is to be financed from special contributions to the expected base on which such contributions would be applied.

To illustrate the contribution rate that would be needed to finance the total expected disbursements, the following assumptions are made: a full labor-force coverage (120 million per-

sons), and a $3,600 maximum on the contribution base, resulting in a national total contribution base of about $100 billion. (This is somewhat less than the contribution base which would obtain under the assumed conditions and with present price and income levels; it was used as representing a reasonable average for the development of contribution rates.) The estimated "initial or early year" disbursements for all benefits (table 3) is $3.45 billion, assuming the minimum service hospital benefits; and it is $3.11 billion with minimum cash benefits. These figures are about 3.5 and 3.1 percent, respectively, of the estimated $100 billion earnings or contribution base. The corresponding contribution rate needed to meet the total costs for a later year would be about 4.7 percent with the minimum service hospital benefit and about 4.2 percent with the minimum cash hospital benefit.

It is useful to see what the corresponding percentages are if it is assumed that some of the costs are to be met from general revenues instead of insurance premiums. Table 3 shows the total costs exclusive of those for dental and home nursing benefits, for example, assuming that these two classes of benefits are financed from general revenues. Using the same contribution base as before, the costs (exclusive of dental and home nursing benefits) would have been approximately 3.0 and 2.7 percent of the contribution base in the initial or early year, depending on the hospital benefit; and about 3.7 and 3.2 percent, respectively, for the costs applicable to 195X.

These rough calculations suggest that if insurance premiums are to pay the whole cost of the system of benefits described in this study, they would need to be either 3.0 or 3.5 percent at the outset, rising to 4.0, 4.5, or 5.0 percent later. If the premiums are to pay for all the benefits exclusive of dental and home nursing, they need to be about 3.0 percent at the outset and about 3.5 or 4.0 percent later. A contingency reserve would make frequent revisions in the premium rates unnecessary.

These contribution rates and the expenditures they cover for medical care would, on the whole, represent a substitute form of expenditure for disbursements already being made in other ways,[13] chiefly through individual payments. The insurance costs include reductions in some directions and expansions in others as compared with present expenditures. Some individual expenditures beyond those covered by the insurance premiums would still be necessary, particularly in the early years of insurance operation when some benefits would have to be more limited than in later years.

Conclusion

This study suggests that the prospective costs of medical care insurance, with a stated system of assumed specifications, can be estimated closely enough for use in policy discussions. The specific estimates and their composition are tentative and should be regarded as a basis for further study.

[13] Ibid., p. 158.

The insurance costs estimated in this study are less than customary expenditures for medical care. And since they would be distributed wholly or largely in relation to earnings, it is reasonable to assume that they would not represent undue burdens on individuals, and that—on an over-all basis—they would be well within the Nation's resources. Indeed, the opinion may be ventured that we should be able and that we could afford to spend even more than these costs for medical care if necessary. In dollar amounts, or as a percentage of income, the costs of medical care insurance are not large when regarded as a means of obtaining more and better medical care without burdensome costs on individuals, strengthening and stabilizing the financial support of professional personnel, hospitals and other facilities, and promoting research and professional education.

The 1946 Amendments to the Railroad Retirement and Railroad Unemployment Insurance Acts

By Jack M. Elkin*

THE AMENDMENTS to the Railroad Retirement and Railroad Unemployment Insurance Acts, approved on July 31,[1] not only give railroad workers the most comprehensive system of social insurance in the United States, in terms of risks covered, but provide the first major, if partial, extension of the coverage of old-age and survivors insurance since the Social Security Act Amendments of 1939. For the first time in this country, a major group of industrial workers and their families is covered under a unified Federal program providing protection against the five major hazards of economic insecurity—old age, disability, death, unemployment, and sickness.

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[1] Public, No. 572, 79th Congress, 2d session.

Summary of Changes

The principal changes made in the old laws, and the dates on which the changes become effective, are as follows:

1. Provision for monthly and lump-sum death benefits similar to and coordinated with those paid under the Social Security Act (January 1, 1947).
2. Liberalization of the conditions for the payment of annuities based on disability for all gainful employment, and introduction of a new type of annuity based on disability merely for the regular occupation (January 1, 1947).
3. Liberalization in general of the conditions under which minimum retirement annuities are payable to workers with low wage records, and increase in the amount of such annuities (January 1, 1947).
4. Lowering of the age requirement from 65 to 60 for full, nondisability annuities in the case of women

with 30 years of service (January 1, 1947).

5. Addition of two new and higher daily benefit rates for unemployment insurance (July 31, 1946) and lengthening of the period for which unemployment benefits are payable (July 1, 1946).

6. Provision for the payment of cash benefits in case of loss of earnings due to sickness (July 1, 1947).

7. Provision for the payment of cash maternity benefits to women employed in the industry for loss of earnings before and after childbirth (July 1, 1947).

8. Increase in the tax paid by employers and employees for the support of the retirement and survivor benefit program, sufficient to place the system on a full actuarial basis (January 1, 1947).

The amendments also include several changes, especially in the retirement act, designed to clarify certain provisions in the old laws, simplify the administration of others, and eliminate certain inequities (mainly July 31, 1946).

Retroactive provisions.—Retirement annuities already in force on the effective date may be recertified as of that date for higher amounts under the new provisions, in cases in which the larger annuities could have been awarded originally had the amendments then been in effect. The monthly, but not the lump-sum, death benefits are payable to the survivors of employees who died before the effective date. Finally, the new unemployment, sickness, and maternity benefits are payable to employees who qualified in the base year preceding the respective effective dates.

Death Benefits

Inadequacies of former benefits.—A major criticism of the original Railroad Retirement Act was that it made no adequate provision for the survivors of deceased railroad men. The law was designed primarily to provide benefits for persons who became old or disabled, while the death benefits granted were largely incidental.

A lifetime survivor annuity was, under certain conditions, paid to the widow of an employee annuitant, but it was, in effect, paid for by the employee himself, who in electing to provide for his surviving widow agreed in return to accept a reduced annuity during his own lifetime. The restricted conditions under which the employee could elect this joint-and-survivor annuity, the reduction in his own benefit, his difficulty in understanding the requirements for, and implications of, an election, the element of speculation involved in judging the comparative life expectancies of himself and his wife—all served to limit the usefulness of the provision. As a consequence, only slightly more than 1 percent of the employees entering the annuity rolls just before the enactment of the amendments were doing so on a joint-and-survivor basis.

The more important survivor benefit, in terms of the number of beneficiaries and the total amount involved, was the lump-sum death benefit, and even this was accounting for less than 6 percent of the total payments being disbursed. The lump-sum payment was equal to 4 percent of the taxable compensation after 1936 (a little more than a refund of employee contributions, exclusive of interest) less any annuity payments that might have been made if death occurred after retirement. It could not, in most cases, do more than take care of the immediate expenses of the employee's last illness and burial and thus could not be considered a satisfactory means of replacing the income loss to the surviving family unit.

New benefits provided.—The amendments provide monthly insurance annuities and lump-sum death benefits payable, for the most part, to the same classes of survivors as those covered by the Social Security Act and under analogous conditions.

These monthly benefits (table 1) are payable to widows at age 65; younger widows with unmarried children of the deceased wage earner in their care; dependent unmarried children up to age 18; and dependent parents aged 65 or over.

A lump-sum death benefit is also payable to the widow, children, parents, or persons who pay the funeral expenses (in that order), if the employee dies after 1946 and leaves no survivor entitled to an immediate monthly annuity.

The requirements of the Social Security Act with respect to dependency, adoption, and membership in the same household are for the most part applied identically in determining whether a widow, child, or parent is qualified for monthly benefits under the Railroad Retirement Act.

If the deceased employee was partially but not completely insured, however, only the widow's current and child's monthly benefits and the lump-sum death benefits are payable.

Quarters of coverage and insured status.—Whether the deceased employee was completely or partially insured depends on his quarters of coverage. Quarters of coverage are either those defined in the Social Security Act or those determined on the basis of railroad compensation in accordance with the following tabulation:

Total compensation paid in calendar year	Number of quarters according to specified months of service			
	1–3	4–6	7–9	10–12
Less than $50	0	0	0	0
50–99	1	1	1	1
100–149	1	2	2	2
150–199	1	2	3	3
200 or more	1	2	3	4

The need for such a tabulation arises from the fact that reports of service and compensation are in most cases filed with the Board annually and indicate merely the total compensation paid in the year and the months in which it was paid. Quarters of coverage from both social security and railroad earnings are combined, except that no more than 4 may be credited in any calendar year.

An employee is completely insured at the time of his death if he meets any of the following four conditions:

1. He has a current connection with the railroad industry and at least 40 quarters of coverage.

2. He has a current connection with the railroad industry and a number of quarters of coverage (but not less than 6) equal to at least one-half the number of calendar quarters in the period after 1936 and before the quarter in which he died. Not counted among the elapsed calendar quarters in this period are the quarter containing the worker's twenty-first birthday and all earlier quarters, the quarter containing his sixty-fifth birthday and all later quarters, and any quar-

Table 1.—*Summary of benefit provisions of the Railroad Retirement Act, as amended July 31, 1946*

Type of benefit	Benefit eligibility requirements: Age	Benefit eligibility requirements: Previous employment or insured status	Benefit eligibility requirements: Other	Duration of benefit	Amount of benefit: Benefit formula	Amount of benefit: Maximum	Amount of benefit: Minimum
I. *Retirement benefits* [1]							
1. Old-age annuity—age.	65 years or over	No service requirement.	Ceased all compensated service, whether or not for covered employer.	Annuity begins after all eligibility requirements are met, but not more than 60 days before application is filed. Annuity is payable monthly through end of month preceding month of death. It is not payable for any month in which annuitant renders service to a covered employer or to last person by whom employed before retirement.	Years of service multiplied by 2 percent of first $50 of monthly compensation, plus 1½ percent of next $100, and plus 1 percent of next $150. Annuity of less than $2.50 a month is paid in a lump sum equal to its commuted value. Once becoming payable, annuity is not subject to recomputation on account of subsequent employment.	Years of service multiplied by $4. Limitation of service to 30 years so long as prior service is included imposes further maximum of $120 until end of 1966.	The least of: (1) years of service multiplied by $3, (2) $50, (3) monthly compensation. Payable only if employee has a current connection with the railroad industry and 5 years of service.
2. Old-age annuity (men)—age and service.	60 years or over	30 years of service	As in 1	As in 1	As in 1, except that annuity is reduced by 1/180 for each calendar month employee is under age 65 on annuity beginning date. Reduction is not restored at age 65.	As in 1. Reduction for retirement before age 65 computed after applying maximum.	As in 1. Reduction for retirement before age 65 computed after applying minimum.
3. Old-age annuity (women)—age and service.	60 years or over	30 years of service	As in 1	As in 1	As in 1	As in 1	As in 1.
4. Disability annuity—occupational disability and service.	No age requirement.	20 years of service. Must have current connection with railroad industry.	As in 1. Must be permanently disabled for work in his regular occupation.	Annuity begins after all eligibility requirements are met, but not more than 60 days before application is filed. Annuity is payable monthly through end of month preceding month of death, but may continue after age 65 only upon relinquishment of rights. It is not payable for any month in which annuitant renders service to a covered employer or to last person by whom employed, or for any month before age 65 following month of recovery from disability. A disabled annuitant who earns more than $75 in service for hire or in self-employment in each of 6 consecutive months is considered to have recovered from disability in the last of the 6 months.	As in 1, except that additional years of service acquired after cessation of annuity because of recovery may be credited towards any annuity subsequently awarded.	As in 1	As in 1.
5. Disability annuity—occupational disability and age.	60 years or over	No service requirement. Must have current connection with railroad industry.	As in 4	As in 4	As in 4	As in 1	As in 1.
6. Disability annuity—employment disability and service.	No age requirement.	10 years of service	As in 1. Must be permanently disabled for any regular employment.	As in 4	As in 4	As in 1	As in 1.
7. Disability annuity—employment disability and age.	60 years or over	No service requirement.	As in 6	As in 4	As in 4	As in 1	As in 1.

See footnotes at end of table.

Table 1.—*Summary of benefit provisions of the Railroad Retirement Act, as amended July 31, 1946*—Continued

Type of benefit	Benefit eligibility requirements			Duration of benefit	Amount of benefit		
	Age	Previous employment or insured status	Other		Benefit formula	Maximum	Minimum
I. *Retirement benefits*—Continued							
8. Pension to former carrier pensioners.	No age requirement.	No service requirement.	On pension or gratuity roll of an employer on Mar. 1 and July 1, 1937.	Payable monthly through end of month preceding month of death.	Same rate as pension or gratuity granted by employer, with restoration of any general reduction or readjustment made by employer after 1930.	$120	None.
II. *Death benefits* [2]							
9. Widow's insurance annuity.	65 years or over.	Employee died completely insured.	Widow has not remarried since death of employee. Widow was living with husband employee at time of his death and either is mother of his children or was married to him for at least a year before month in which he died.	Annuity begins on first day of month in which individual qualifies for it, if application is filed not later than end of third month following; otherwise it begins no earlier than first day of month in which application is filed. It is payable monthly through end of month preceding month in which recipient dies or ceases to be qualified. An application is not valid if filed more than 3 months before first month for which applicant otherwise becomes entitled to receive annuity.	Three-fourths of employee's basic amount in case of widow, one-half in case of child or parent. If there is more than one employee with respect to whose death child or parent may be entitled to annuity, annuity is equal to one-half of whichever of the employee's basic amounts is greatest. Basic amount is (1) 40 percent of first $75 and 10 percent of next $175 of employee's average monthly remuneration, plus 1 percent of sum added for each year after 1936 in which he was paid at least $200 in combined railroad and social security employment, or (2) 40 percent of first $75 and 10 percent of next $175 of average monthly compensation on which employee's annuity or pension was based, depending on manner in which employee acquired insured status. Annuity to which individual is otherwise entitled for any month is reduced by total of any retirement annuity, other insurance annuity, and social security insurance benefits to which individual would on application be entitled for that month. Deductions are made from annuities to which individual is entitled until total of deductions equals annuities for months in which he— (a) rendered compensated service to a covered employer, (b) rendered service for wages in social security employment of at least $25, (c) if a child under 18 and over 16, failed to attend school regularly when attendance was feasible, or (d) if a widow otherwise entitled to a current insurance annuity, did not have in her care a child of deceased employee entitled to receive a child's insurance annuity.	Benefits limited by method of calculation under which basic amount, in cases where it is computed from average monthly remuneration, may not exceed $47.50 increased by 1 percent for each year after 1936 in which employee was paid at least $200 in combined railroad and social security employment, or, in cases where it is computed from monthly compensation on which annuity or pension was based, may not exceed $47.50. If total of annuities is more than $20 and also exceeds (1) $120, or (2) twice employee's basic amount, or, (3) in cases where basic amount is computed from average monthly remuneration, 80 percent of this average, the total is reduced to least of these three amounts, but not below $20.	Benefits limited by provision that basic amount, in cases where it is computed from average monthly remuneration, may not be less than $10. No minimum basic amount where it is computed from average monthly compensation on which annuity or pension was based. If total of annuities is less than $10, it is increased to $10.
10. Widow's current insurance annuity.	No age requirement.	Employee died completely or partially insured.	Widow has not remarried since death of employee, has in her care a child entitled to a child's insurance annuity, and is not entitled to a widow's insurance annuity. See 9, second paragraph.				
11. Child's insurance annuity.	Under 18 years.	Employee died completely or partially insured.	Child was dependent on parent employee at time of his death, was not adopted after such death, and is unmarried. If a stepchild or adopted child, child had such relationship for 12 months immediately preceding month in which employee died.				
12. Parent's insurance annuity.	65 years or over.	Employee died completely insured.	Parent has not remarried since death of employee. Parent was wholly dependent on and supported by employee, and filed proof of such dependency and support within 2 years after employee's death or by July 1, 1947, if later. If a step-parent or adopted parent, parent acquired such relationship before employee attained age 16.				

12. Parent's Insurance annuity. (Continued)					Deductions are also made from any payments with respect to death of employee until deductions total: (a) any lump-sum death benefit under Railroad Retirement Act of 1937, or 12-month death-benefit annuity under Railroad Retirement Act of 1935, paid on death of same employee, (b) any lump sum paid on death of same employee under Social Security Act or under Social Security Act before 1939 Amendments, (c) any lump sum paid to same employee as old-age benefit under Social Security Act before 1939 Amendments, provided the lump sum has not previously been deducted from any social security insurance benefits, (d) one percent of any wages paid to same employee for services performed in 1939 after attaining age 65, with respect to which social security taxes were not deducted by his employer from his wages or paid by his employer, provided amount has not previously been deducted from any social security insurance benefits. An annuity of $5 a month or less may be paid in a lump sum equal to its commuted value.		
13. Lump-sum payment to following survivors, in order of precedence given, who are alive at the time their relationship to deceased is determined: (i) widow or widower, (ii) children and any other persons entitled under intestacy laws of State to share as distributees with children, (iii) parents. If there are no such persons, other persons may be compensated to extent and in proportions that they have borne expenses of burial.	No age requirement.	Employee died after 1946, completely or partially insured.	Employee is not survived by a widow, child, or parent who on application would be entitled to an annuity for month in which employee died. Survivor files application within 2 years after employee's death.	Paid in one sum	Eight times employee's basic amount. If lump sum would have been payable except for fact that a survivor was entitled to receive an annuity for month in which employee died, but if within year after employee's death total of annuities which accrued to his survivors is less than amount of such lump sum, difference is payable at end of year to any surviving widow, children, or parents. Deductions as in 9–12, except in so far as they apply to annuities only.	As in first paragraph, 9–12.	As in first paragraph, 9–12.

[1] A month of service is a calendar month in which employee was in creditable employment or military service. Any 12 months of service count as a year of service, with an ultimate fraction of 6 months or more (where total service period exceeds 53 months) taken as a year. Service after year of attainment of age 65 not creditable. Service before 1937 creditable if employee was in active service or in an employment relation to an employer on August 29, 1935. Entire period of creditable service limited to 30 years if service before 1937 is included; no limitation otherwise. Compensation credited up to $300 a month; in addition, $160 is imputed to each month of creditable military service. Monthly compensation is average obtained by dividing total compensation by number of months of service, with compensation in 1924–31 generally taken as representative of all compensation before 1937.

[2] For definitions, see text.

ter during any part of which a retirement annuity was payable to him. Compensation and wages paid in the excluded quarters, however, are taken into account in determining the number of quarters of coverage. When the number of calendar quarters in the elapsed period is odd, it is reduced by one.

3. A retirement annuity based on at least 10 years of service began to accrue to him before 1948.

4. He was a former carrier pensioner whose pension was taken over by the Board as of July 1, 1937.

An employee is partially insured at the time of his death if he has a current connection with the railroad industry and at least 6 quarters of coverage in the period beginning with the third calendar year preceding the year in which he died and ending with the calendar quarter preceding the quarter in which he died.

Current connection with the railroad industry on the date of death.—An employee has a current connection with the railroad industry on the date of his death if he has been in railroad service in at least 12 out of any 30 consecutive months before the month in which he dies (or, in the case of an annuitant, the month in which his annuity has become payable) and has not worked in any regular employment outside the railroad industry after that 30-month period and before the month in which he dies (or in which his annuity has become payable). In view of the provision crediting service under the Railroad Retirement Act toward survivor payments under the Social Security Act (see page 29), an employee would normally have, as far as the quarters-of-coverage requirement is concerned, the equivalent insured status at death under both acts. The current-connection test, therefore, is an additional requirement that must be met before benefits may be paid under the Railroad Retirement Act. In the absence of a current connection, adjudication proceeds under the Social Security Act.

Average monthly remuneration and basic amount.—The amount of the survivor benefits paid on the death of an employee who was completely or partially insured depends on the employee's basic amount, which in turn depends on his average monthly remuneration. To determine his average monthly remuneration, the amount of his combined earnings in both railroad and social security employment after 1936 and before the quarter in which he died is divided by the number of months in that period. Railroad earnings of more than $300 in any 1 month and combined earnings in excess of $3,000 in any 1 year are excluded. The divisor may include months in which the employee did not work but does not include those up to the end of the year in which he reached age 22—except to the extent of three times the number of quarters of coverage acquired by the end of that year—and does not include those which fall in a quarter during any part of which a retirement annuity was payable to him.

The basic amount is equal to 40 percent of the first $75 of the average monthly remuneration, plus 10 percent of the amount from $75 to $250, with an additional 1 percent of this combined sum for each year after 1936 in which the employee was paid $200 or more from his combined railroad and social security employment. The basic amount has a $10 minimum limit.

If the employee was completely insured only by meeting condition (3) or (4) above, the average monthly remuneration is not computed. Instead, the basic amount is calculated in the regular way from the average monthly compensation on which the retirement annuity or the original railroad pension was based, except that the 1-percent increment for each year after 1936 in which earnings amounted to $200 is omitted and the $10 minimum does not apply. If the employee was completely insured on the basis of condition (1) or (2) and also of condition (3) or (4), the basic amount is calculated both ways, and the survivors receive benefits computed from the higher amount.

Calculation of death benefits.—The widow's annuity is equal to three-fourths, and the child's or parent's annuity to one-half, the employee's basic amount. These annuities are reduced by the total of any retirement annuity, other insurance annuity under the retirement act, and social security monthly insurance benefit to which the survivor would, on application, be entitled. If an annuity is $5 a month or less, it may be paid in a lump sum equal to its commuted value.

The lump-sum death benefit is equal to eight times the basic amount but may not exceed the amount of the funeral expenses if it goes to the person who pays these expenses. When a lump sum would be payable except for the fact that a survivor is entitled to receive an annuity for the month in which the employee dies, and if within 1 year after the employee's death the total of annuities which accrue to his survivors is less than the amount of the lump sum, the difference is payable at the end of the year to any surviving widow, children, or parents.

If the total of all monthly annuities paid on the death of an employee is more than $20 and also exceeds $120, or twice the basic amount, or 80 percent of the average monthly remuneration, whichever is least, it is reduced to that amount but not below $20. The test of 80 percent of the average monthly remuneration is, of course, not applied in the case of an employee whose basic amount derives from his having died completely insured under condition (3) or (4) above. At the lower extreme, if the total of all monthly annuities is less than $10, it is raised to $10.

Monthly death benefits are not payable for any month in which the survivor works in covered railroad employment, regardless of earnings, or in social security employment at wages of at least $25, and deductions are made from both monthly and lump-sum death benefits under certain conditions (table 1).

Duration of annuity payments.—The annuity becomes effective on the first of the month in which the survivor meets all the qualifications (but not before 1947), provided a valid application is filed before the end of the third following month. If the application is not filed within the prescribed time limit, the annuity begins with the month in which it is filed. An application is not acceptable if it is filed more than 3 months before the month in which the survivor first meets the necessary qualifications. The annuity remains in effect until the end of the month preceding the one in which the survivor is no longer qualified to receive it.

Intergration with social security

benefits.—As has been said, social security wages are counted toward survivor benefits under the Railroad Retirement Act. Likewise, to determine social security benefits which begin to accrue after 1946, the amendments make railroad service creditable as employment under the Social Security Act, and compensation reported to the Board for such service is credited as wages for such employment. In effecting the transfer of credits, railroad compensation for any year is presumed to have been evenly distributed over the months of service in that year. The Railroad Retirement Board and the Social Security Administration are required to supply each other, on request, with certified service and wage records pertinent to their respective spheres of administration.

Provision is made to prevent dual benefits. Thus, a survivor entitled on application to receive before 1947 a social security monthly benefit on the basis of an employee's wages is entitled to a monthly benefit payable under the Railroad Retirement Act with respect to the death of the same employee only if the second benefit is larger; in that case the social security benefit will not be paid. Moreover, once a survivor is entitled, on application, to receive a monthly or lump-sum death benefit under the Railroad Retirement Act, he is not entitled to a lump-sum or, for any month after 1946, a monthly social security benefit based on the death of the same employee.

The amendments thus accomplish a major extension of the coverage of the Social Security Act, at least with respect to survivor benefits. The importance of this extension is evident from the fact that, of the more than 7 million persons who have come under the coverage of the Railroad Retirement Act since 1936, probably more than 4 million have also been covered under the Social Security Act. Perhaps in a majority of the cases currently reported to the Railroad Retirement Board of the death of a present or former railroad employee who has not yet retired, the employee had some social security employment. The need for a similar coordination of credits under the two systems for retirement benefits is, at least for the present, not so great as in the case of survivor benefits, since the bulk of the employees with split coverage are still relatively young, while substantially all employees currently qualifying for railroad retirement annuities have never worked in social security employment.

By January 1, 1950, the Railroad Retirement Board and the Social Security Administration are required to "make a special joint report to the President to be submitted to Congress setting forth the experience of the Board in crediting [social security] wages toward awards, and the experience of the Social Security Administration in crediting [railroad] compensation toward awards, and their recommendations for such legislative changes as are deemed advisable for equitable distribution of the financial burden of such awards between the retirement account and the Federal Old-Age and Survivors Insurance Trust Fund."

Disability Retirement Annuities

Before the amendments were approved, the retirement act provided annuities to employees who were "totally and permanently disabled for regular employment for hire" and who, in addition, were 60 years of age or had acquired 30 years of service. Annuities awarded on the basis of less than 30 years of service were subject to a reduction of $\frac{1}{180}$ for each calendar month the employee was under age 65 on the date the annuity began. The regulations of the Board made the concept of invalidity more precise by providing that an individual was to be considered permanently and totally disabled if (1) his mental or physical condition was such that he was unable to perform regularly, in the usual and customary manner, the substantial duties of any regular and gainful employment with any employer whether or not subject to the act, and (2) the facts of his mental or physical condition afforded a reasonable basis for an inference that this condition was permanent.

Although almost one-fifth of the employees retiring in the recent past were being awarded annuities under the disability provisions, for many others these provisions proved to be too restrictive. The high standards of physical and mental competence applied by the railroads often resulted in removing from active service persons who were disabled insofar as the practices in force on the railroads were concerned but who in many instances were not disabled for "regular employment for hire." The majority of the latter were not fitted by experience or training to engage in any other occupation which would yield an income comparable to their previous earnings. Many, moreover, because of their age or physical handicap, were unable to find any employment even under relatively favorable labor-market conditions.

Furthermore, many cases occurred in which an applicant who had not yet reached his sixtieth birthday could prove permanent and total disability according to the statutory definition but lacked the required 30 years of service. The applicant, in these circumstances, was obliged to wait until he reached age 60 before becoming eligible for an annuity.

New provisions.—The amendments liberalize the disability provisions of the retirement act by providing that (1) an employee under 60 years of age who is disabled for all gainful work may qualify for a disability annuity on the basis of 10, instead of 30 years of service; (2) an employee who becomes disabled for all gainful work with less than 10 years of service may qualify for a disability annuity at age 60 as before, but the reduction of $\frac{1}{180}$ in the amount of annuity for each month he is under age 65 is eliminated; (3) an employee who is permanently disabled for work in his regular occupation may qualify for a disability annuity if he is 60 years of age or has acquired 20 years of service, provided he has a current connection with the railroad industry on the date the annuity begins.

An employee's regular occupation is the covered occupation in which he was engaged in the greatest number of calendar months in the last 5 calendar years (not necessarily consecutive) before the date the annuity began, in each of which he earned compensation. If he worked in some other occupation in at least half of all the calendar months in which he was in covered employment during the last 15 consecutive calendar years before the beginning date of the annuity, he may claim that as his regular occupation instead.

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The Board, in cooperation with employers and the employee organizations, must establish standards determining the physical and mental conditions which permanently disqualify employees for work in the several occupations in the railroad industry. An employee's condition is held to be disabling for work in his regular occupation if he has been disqualified by his employer for service in that occupation in accordance with the applicable standards; if he has not been so disqualified, the Board itself determines, in the light of those standards, whether his condition is disabling. The Board has no authority over the employment rights of any employee, nor may it require an employer to disqualify or not to disqualify an employee. If, in spite of the establishment of an acceptable standard for the industry as a whole, a particular railroad chooses not to disqualify an employee who meets that standard, the Board may not require his dismissal but may award him an annuity if he chooses to quit service of his own accord.

An employee on the disability annuity rolls must, as under the old law, submit such proof of the continuance of disability (under the standards applied in establishing the disability) as the Board may from time to time prescribe and until he reaches age 65. The annuity ceases on the last day of the month in which the employee recovers from disability. Under the old law, performance of gainful work did not of itself constitute evidence of recovery. The Board considered each case on its merits to determine whether the employee's ability to work was compatible with the ruling of disability. This provision remains in effect so long as the employment is only casual or intermittent. An additional provision is introduced, however, under which a disability annuitant who earns in service for hire, or in self-employment, more than $75 in each of any 6 consecutive calendar months is considered to have "recovered" in the last of the 6 months, regardless of his actual physical condition.

Minimum Retirement Annuities

The amendments leave untouched the basic formula for computing monthly retirement annuities but revise the provision dealing with minimum annuities (table 1). The old law allowed a minimum of 80 percent of the average compensation but not more than $40, if the average was $25 or more, and a minimum of 100 percent of the average compensation but not more than $20, if the average was less than $25. The provision was applied, however, only to persons who were in active service or in an employee status on their sixty-fifth birthday and who retired thereafter with at least 20 years of service. The new minimum-annuity formula provides for the least of the following three amounts: $3 multiplied by the number of years of service, $50, and the average monthly compensation. It is less restrictive than the earlier formula since it is applied to persons who retire after at least 5 years of service and have a current connection with the railroad industry on the date the annuity begins, without regard to the employee's age at retirement.

The former minimum-annuity provision affected only 5 percent of the annuities thus far awarded and had a negligible bearing on the average of all annuities. The new provision, however, had it been in effect originally, would have applied to more than 25 percent of the annuities and raised the general average monthly amount by about 5 percent. The more liberal formula is particularly significant in the light of the new disability provisions under which annuities may be awarded to relatively young employees with as little as 10 years of service, and in the light of the general increase in the number of annuities awarded to employees under age 65.

Retirement Annuities to Women

The unamended law contained a provision, retained in the amendments, under which a nondisability annuity can be awarded any time after age 60 to an employee with 30 years of service. Such an annuity was subject to a reduction of $\frac{1}{180}$ for each month the employee was under age 65 on the annuity beginning date. The amendments remove the reduction in the case of women. The effect of the change on the retirement system is not great because of the relatively small number of women who accumulate as much as 30 years of service in railroad employment, but it is significant in that it recognizes that employed women normally become unable to continue work at a much earlier age than men.

Unemployment Insurance Benefits

It was the general aim of the Railroad Unemployment Insurance Act to pay benefits which would be limited in duration and would approximate, on the average, one-half the employee's regular full-time pay. Benefits were to be more than half-pay at the lower end of the wage scale, and less at the upper end. Accordingly, the benefit rate established by the 1940 amendments for a compensable day of unemployment in any benefit year (July 1–June 30) ranged from $1.75 for workers who had earned $150 but less than $200 in the base year (the calendar year preceding the benefit year) up to $4 for those who had earned $1,600 or more. During the 6 years since the adoption of that benefit schedule, there were three general increases in wage rates, with a consequent decline in the ratio between the benefit and the wage loss. For the lower-paid workers the increase in pay rates resulted in increased benefits. For example, an increase of 25 percent in base-year compensation of $900, $1200, or $1500 resulted in a 20-percent, 17-percent, or 14-percent increase, respectively, in the daily benefit rate. But an increase, no matter how great, from a wage base of $1,600 or more produced no increase in benefits.

How far the benefit scale had fallen short of meeting its original objective for the middle-bracket and higher-paid workers is seen from the fact that, in 1944, 58 percent of all employees with wage credits of $150 or more in that year earned at least $1,600, and 34 percent at least $2,500, compared with 47 percent and 12 percent, respectively, in 1939, the year before the scale was adopted. To remedy the situation, the amendments introduce two new daily benefit rates: $4.50 for employees whose compensation in the base year was $2,000 but less than $2,500, and $5 for those whose compensation was $2,500 or more (table 2).

Formerly, the maximum number of days for which unemployment benefits could be paid in any one benefit year was 100. Since benefits are payable, in effect, for 5 days each week,

the payments could run for 20 weeks. Taking the first 1-week waiting period into account, a worker exhausted his benefit rights after 21 weeks of continuous unemployment. While, in recent years, relatively few unemployed workers have exhausted their benefit rights in the course of a benefit year, the number could reach serious proportions when unemployment is widespread. The amendments serve in large part to minimize that hazard by extending the duration of unemployment benefits to a maximum of 130 days, or 26 weeks, a year—a recommendation for unemployment insurance in general made as far back as 1943 by the National Resources Planning Board and by the Social Security Board in its reports for that and subsequent years.

The waiting-period and registration-period provisions remain unchanged. Benefits are paid to a qualified employee for each day of unemployment in excess of 7 in the first 14-day registration period in a benefit year in which he has 7 or more days of unemployment, and for each day in excess of 4 in any subsequent registration period in the same benefit year.

Sickness Benefits

Before benefits may be paid under the Railroad Unemployment Insurance Act the applicant must, at the present time, show that he is "able to work." Thus, if he becomes unemployed because of sickness or other disability, or if he becomes unemployed while able to work and then falls ill, he is disqualified for unemployment insurance benefits during the period of disability. He thus suffers a loss of wages just at a time when his expenses for medical care may be heavy, unless his inability to work is the result of a work injury, in which case the employer may be liable for damages. In the railroad industry, however, unless a State workmen's compensation law is applicable, no liability is ordinarily attached if the employer can establish lack of responsibility for the injury; in most other industries the principle is almost universally accepted that the employer, even though without fault, is liable for occupational injuries.

The amendments do not undertake to provide directly for the medical and related care of disabled workers. They are intended to provide cash benefits to replace in part the loss of income whether the worker is unemployed because of illness or other reasons. These are the first government sickness benefit provisions applicable on a national scale and the first which do not require deductions from the wages of employees. Except for an occasional plan established by State and local governments for their employees, only two other government plans for the payment of cash sickness benefits have been enacted—one in Rhode Island and the other in California—and in these only the covered employees contribute to the benefit fund.

Sickness benefits will be payable in the benefit year beginning July 1, 1947, for any disabling injury or sickness if the employee does not receive wage payments during his disablement and submits as evidence of his disablement a statement signed by a doctor or by any other qualified person authorized by the Board. Payments will be in addition to and apart from benefits for unemployment for reasons other than sickness. Whether or not the illness or injury was related to his employment will not affect the employee's rights to benefits, but if he becomes entitled to payment for damages, such as a settlement under the Federal Employers' Liability Act, the Board will be entitled to recover such payment up to the amount of the benefits. A worker may not ordinarily receive both other government social insurance benefits and sickness benefits for any particular period, but, as in the case of the regular unemployment benefits, he may without prejudice receive payments for the same illness under any nongovernmental plan, such as fraternal or group sickness insurance.

Benefits for sickness will be provided on substantially the same basis as those for unemployment, and the provisions dealing with registration periods, daily benefit rates, and maximum duration remain unchanged. Days of unemployment and days of sickness may not, however, be combined in the same registration period, but if an employee becomes sick before the end of an unemployment registration period he may begin a sickness registration period immediately. Similarly, if he becomes available for work but fails to find employment before the end of a sickness registration period, he may begin an unemployment registration period immediately.

In the benefit year 1943–44, it is estimated, workers entitled to benefits under the Railroad Unemployment Insurance Act lost about 17.2 million days because of disabilities other than those arising from industrial injuries. This was the equivalent of a loss of a year of full-time work for almost 60,000 workers. Taking into account the waiting period for sickness benefits and the number of illnesses of various durations, the Board has estimated that about 48 percent of the days of sickness would have been compensated if the amendments had been in effect for that year.

Maternity Benefits

The amendments provide separately for benefits to qualified women employees for each day in a maternity period (table 2). Such a period is defined as beginning 57 days before the expected birth of the child and extending for 116 days, or at least until the thirty-first day after the day the child is born. If birth takes place after the eighty-fourth day of the maternity period, no benefits will be paid for the days after the eighty-fourth and before the date of birth. Benefits will thus be payable, in any event, for a total of 116 days.

The daily benefit rate will be the same as for unemployment and sickness, except that the benefit rates for the first 14 days of the maternity period and for the 14 days immediately following the birth of the child will be $1\frac{1}{2}$ times the regular rates. Thus, the maternity benefits payable to a qualified employee will total 130 times the daily benefit rate. Maternity benefits will not be affected by any sickness or unemployment benefits that may have been paid to the same employee earlier in the same benefit year, and vice versa. Once maternity benefits become payable, they will continue to the end of the maternity period even if it extends into the next benefit year. If the employee is not qualified when the maternity period begins, but the period extends into a year in which she is qualified, benefits will become payable for the portion of the maternity period included in the latter year.

Table 2.—*Summary of benefit provisions of the Railroad Unemployment Insurance Act, as amended July 31, 1946*

[An employee is qualified for benefits in a benefit year if he was paid compensation of $150 or more for work in covered employment in the corresponding base year. The benefit year begins on July 1 and the base year is the calendar year preceding the beginning of the benefit year]

Type of benefit	Benefit formula			Disqualifying conditions
	Compensable days	Benefit rate	Maximum duration of benefits	
I. Unemployment benefits.	Benefits are payable for each day of unemployment in excess of 7 in first 14-day registration period in benefit year and for each day of unemployment in excess of 4 in any subsequent registration period in same benefit year. A day of unemployment is a calendar day on which employee is able to work and available for work, and with respect to which (a) no remuneration is payable or accrues to him and (b) he has registered at an employment office in accordance with Board regulations. Subsidiary remuneration averaging not more than $1 per day is not considered remuneration if it is for part-time work that does not prevent normal full-time employment, unless employee would not be qualified for benefits without inclusion of remuneration from same position or occupation in his base-year compensation.	Amount payable for each benefit day in a benefit year depends on employee's base-year compensation in accordance with following schedule: *Base-year compensation* — *Daily benefit rate* $150.00–199.99 — $1.75 200.00–474.99 — 2.00 475.00–749.99 — 2.25 750.00–999.99 — 2.50 1,000.00–1,299.99 — 3.00 1,300.00–1,599.99 — 3.50 1,600.00–1,999.99 — 4.00 2,000.00–2,499.99 — 4.50 2,500.00 or more — 5.00	130 compensable days.	The following are not considered as a day of unemployment: (a) Any of 75 days beginning with first day of a registration period, with respect to which employee knowingly makes, aids in making, or causes to be made any false or fraudulent statement or claim for purpose of causing benefits to be paid. A fraudulent statement or claim with respect to one type of benefit acts as a disqualification with respect to any other type. (b) Any day in any period for which employee receives other social insurance payments under any State or Federal law other than the Railroad Unemployment Insurance Act. If other payments are smaller than Railroad Unemployment Insurance Act payments, employee may be paid the difference unless other payments are unemployment, sickness, or maternity benefits. (c) Any day in a registration period in which the employee earns in certain train, engine, and yard occupations at least 20 times his daily benefit rate, or in a registration period which forms the second half of a 28-day period in which he earns in these occupations at least 40 times his daily benefit rate. (d) Any of the 30 days beginning with day with respect to which employee leaves work voluntarily without good cause, unless the Board finds the work was unsuitable. (e) Any of the 30 days beginning with day with respect to which employee fails without good cause to accept suitable work, or to comply with instructions from the Board to apply for suitable work, or to report to an employment office. (f) Any day on which employee is unemployed because of a strike in violation of the Railway Labor Act, unless employee is not participating in or financing or directly interested in the strike and does not belong to a grade or class of workers of which some members were employed at premises where stoppage occurs, any of whom are participating in, financing, or directly interested in the dispute. (g) Any Sunday or holiday not preceded and followed by a day of unemployment unless it is the last day of a registration period and is preceded by a day of unemployment.
II. Sickness benefits.	Benefits are payable for each day of sickness (other than in a maternity period) in excess of 7 in first 14-day registration period in benefit year, and for each day of sickness in excess of 4 in any subsequent registration period in same benefit year. Days of unemployment and days of sickness may not be combined in same registration period, but unemployment and sickness periods may overlap. A day of sickness is a calendar day on which employee is unable to work because of any sickness or injury, or which is included in a maternity period, and with respect to which (a) no remuneration is payable or accrues to him, and (b) a statement of sickness is filed within 10 days as the Board may prescribe. Provision regarding subsidiary remuneration is same as in definition of day of unemployment. Any doctor, or any officer or supervisory employee of a hospital, clinic, group health association, or other similar organization, qualified under Board regulations, may execute the statement of sickness.	As in 1	130 compensable days.	As in I (a), (b), and (c).
III. Maternity benefits.	Benefits are payable for each day of sickness in a maternity period except that they cannot be paid for more than 84 days in period before the birth of the child. The maternity period begins 57 days before expected date of birth of a female employee's child, as stated by her doctor, and ends on 116th day, or 31st day after birth, whichever is later. The entire maternity period is treated as part of benefit year in which it begins unless the employee is not qualified for benefits in that year.	As in 1, except that benefits for first 14 days of maternity period and first 14 days after birth are payable at 1½ times daily benefit rate.	Equivalent to 130 compensable days.	As in I (a), (b), and (c).

Increase in Taxes

The Carriers Taxing Act of 1937 (incorporated in 1939 into the Internal Revenue Code) provided for the financing of the retirement program by a tax, to be divided equally between employer and employee, on the first $300 of the monthly compensation. The ultimate rate of 7½ percent was to be reached in 1949 by successive triennial increases of ½ percent over the initial 5½-percent tax set for 1937. Two actuarial valuations of the program established the need for a higher tax schedule if the fund was to be maintained indefinitely on a full reserve basis. The Board, in a majority statement presented at the hearings on the amendments, estimated for the future a level annual taxable pay roll of $3.5 billion, and on that basis recommended a 1½-percent increase in the ultimate tax rate. The Board also estimated that, to meet the cost of the new benefits, a further increase in taxes of 3½ percent of compensation would be necessary. The new tax schedule—11½ percent for the 2 years 1947 and 1948, 12 percent for the next 3 years, and 12½ percent thereafter—agrees substantially with these estimates. The principle of equal division of the rate between employer and employee is maintained.

Congress accepted the Board's recommendation that the 3 percent of taxable pay roll paid by employers for the maintenance of the unemployment insurance program be kept unchanged. The Board presented evidence to show that the reserve in the unemployment insurance account, plus future collections at the 3-percent rate, would be sufficient to finance indefinitely the liberalized benefit program.

Legislative History

The amendments had a long, and at times turbulent, history. On May 11, 1944, Senators Wagner and Wheeler in the Senate, and 4 days later Representative Crosser in the House, introduced the Railroad Social Insurance Bill (S. 1911, H. R. 4805, 78th Cong., 2d sess.). A committee appointed by the Railway Labor Executives' Association in 1940 to study various proposals to improve and liberalize the existing laws prepared the bill, with the technical assistance of the Railroad Retirement Board. Hearings were held in the House before the Committee on Interstate and Foreign Commerce but no further action was taken. The Senate did not hold hearings.

The Railroad Social Insurance Bill was a codification of the retirement, unemployment insurance, and taxing laws and all their amendments to date, together with the proposed amendments. It was therefore rather voluminous, a feature objectionable to many persons. To overcome this objection, Representative Crosser, on December 16, 1944, introduced H. R. 5625, which simply amended the existing laws. The new bill, although considerably shorter than its predecessor, retained all its basic features without significant change, except for the addition of the two higher unemployment insurance benefit rates. The legislation was introduced too late in the session for action to be taken and was reintroduced by Mr. Crosser, in substantially the same form, in the new session of Congress on January 11, 1945, as H. R. 1362. Its companion bill by Senators Wagner and Wheeler, S. 293, followed 4 days later in the Senate.

Except in two important respects, the Crosser bill as introduced was enacted almost unchanged: originally, it had clarified the existing coverage decisions and extended coverage to non-railroad-controlled freight forwarders and to railroad-controlled trucking companies, and it had provided for the collection of retirement taxes by the Board instead of by the Bureau of Internal Revenue. These provisions were subsequently removed by amendments. Also, the effective dates of the various provisions were postponed, in most cases by 1 year.

Hearings were held by the House Committee on Interstate and Foreign Commerce at various times from January to April 1945,[2] and by a subcommittee of the Senate Committee on Interstate Commerce in July of that year.[3] The main witnesses were the carrier organizations and the Railway Labor Executives' Association, each vigorously opposing the other. Two large railroad brotherhoods not affiliated with the Railway Labor Executives' Association at first opposed certain features of the bill but later asked for its enactment. The AF of L and the CIO likewise supported the legislation. The Board presented a majority statement in support of the bill, the carrier member dissenting. The basic principles of the proposed amendments had been endorsed by President Roosevelt, and the endorsement was reaffirmed by President Truman.

In September 1945 the House Committee referred the bill to a subcommittee for study, with instructions to report its recommendations to the full Committee. The subcommittee expressed doubt as to the reliability of the actuarial evidence introduced in the hearings by the proponents of the bill and by the Board, and employed its own actuary to study the cost implications of the legislation.[4] On March 7, 1946, the Senate subcommittee reported the bill to the full Senate Committee without any recommendation.[5] On April 9, the House subcommittee reported to the full Committee a set of recommendations drastically limiting the scope of the Crosser bill.[6] These changes were unacceptable to the proponents of the original bill, and on April 16, Representative Neely filed a petition to discharge the House Committee from further consideration of the bill. Within 2 days the required number of 218 representatives had signed the petition,[7] but on May 9, before the House could vote on it, the Committee reported out its amended bill, adding several restric-

[2] House Committee on Interstate and Foreign Commerce, *Railroad Retirement, Hearings on H. R. 1362, 79th Congress, First Session*, January 31–April 26, 1945.

[3] Senate Committee on Interstate Commerce, *Railroad Retirement, Hearings on S. 293, 79th Congress, First Session*, July 23–26, 1945.

[4] House Committee on Interstate and Foreign Commerce, *Report to the Committee . . . on Actuarial Cost Estimates for H. R. 1362 (Railroad Retirement Legislation)*, Robert J. Myers, Committee Print, March 14, 1946, 16 pp.

[5] Senate Committee on Interstate Commerce, *Railroad Retirement Act and Railroad Unemployment Insurance Act, Report of the Subcommittee on S. 293*.

[6] House Committee on Interstate and Foreign Commerce, *Report by the Subcommittee on Transportation on H. R. 1362 (Railroad Retirement and Unemployment Insurance Legislation)* (Committee Print), April 9, 1946.

[7] *Congressional Record* (daily edition), April 18, 1946, pp. 4098–4099.

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Employment Security

Unemployment Claims and Benefits

State Programs

The rise in initial and continued claims for State unemployment insurance during October reflected a continued shortage of materials, secondary effects of labor disputes, and a recession in seasonal employment, as well as the small but contributing factor that October had 2 more reporting days than September.

Initial claims rose for the second successive month, from 580,000 to 681,000, while continued claims increased from 3.9 million to 4.1 million, after declines in August and September. The large increases in both types of claims in New York and Pennsylvania were chiefly responsible for the rise in the national totals, although 18 other States also reported higher levels of both initial and continued claims during October.

The increase in initial claims was highlighted by the rise of 47,000 in New York and of 55,200 in Pennsylvania (table 2). Part of the rise in New York was attributed to the labor dispute in the trucking industry and to lay-offs in meat-packing establishments in the early part of the month. Mass lay-offs in the shoe-manufacturing industry because of material shortages also contributed. Pennsylvania's rise in initial claims was chiefly due to the effects of the power dispute in the Pittsburgh area and to the maritime dispute in the Philadelphia area. Another outstanding increase was the rise of 8,800 in California, caused by the seasonal closing of food canneries and the shut-down of a large sugar-processing plant because of a labor dispute in the Hawaiian sugar industry. Michigan's initial claims dropped by 16,100, and Iowa and Nebraska reported less than half the number in September, when the meat-packing lay-offs were at their peak.

Although 28 States reported more continued claims in October than in September, the bulk of the national increase of 246,200 occurred in 4 States—California, New Jersey, New York, and Pennsylvania (table 3). In New York the increase was 115,000 and in Pennsylvania, 105,300. The reasons that caused the rise in initial claims in California, New York, and Pennsylvania were also responsible for the rise in continued claims in those States. In New Jersey, seasonal recessions, particularly in resort activities and garment manufacturing, were the main factors in the rise, though material shortages caused by the truck transportation dispute also contributed. Michigan's drop of 60,600 in continued claims was the largest decline, both in number and in percent, for any State in the country. Massachusetts, Arkansas, Virginia, and Maryland reported declines of 15,500, 9,800, 5,300, and 5,200, respectively.

Although the monthly totals for continued claims were higher in October than in September, the weekly trend within the 2 months was downward.

Week ended	*Continued claims (in thousands)*
September 7	907
September 14	992
September 21	939
September 28	920
October 5	905
October 12	929
October 19	920
October 26	902
November 2	883

The Labor Day holiday, which postponed to the following week the claims scheduled for that day, accounted for the low of 907,000 in the week ended September 7 and the high of 992,000 in the following week.

The average weekly number of continued claims received in the 5 weeks ended November 2 was 907,600, while the average for the 4 weeks ended September 28 was 939,500. Despite the increase in initial and continued claims, the average weekly number of beneficiaries continued the decline which began in February, dropping from 838,900 in September to 764,000 in October (table 1). From 807,000 in the last week in September the number fell to 756,000 during the week of October 5, then rose in the next 2 weeks before tapering off to 760,000 in the week of October 26 (table 5). In New York the number of beneficiaries jumped from 167,400 in the week of October 5 to 182,300 in the week of October 12 and remained at approximately that level for the rest of the month. Maryland, Massachusetts, Michigan, Rhode Island, and Virginia, on the other hand, showed declines in each of the weeks ended in October.

Benefit payments in October, covering 3.5 million weeks of all types of unemployment, totaled $64.4 million, $1.2 million more than in September (table 4). The increase in New York—$1.8 million—was greater than

Table 1.—*Summary of unemployment compensation operations, October 1946*

Item	Number or amount	Amount of change from—	
		September 1946	October 1945
Initial claims	681,592	+101,292	−236,193
New	433,115	+57,007	−304,713
Additional [1]	248,477	+44,285	+63,164
Continued claims	4,140,790	+246,157	−2,530,052
Waiting-period [2]	386,838	+66,467	−323,301
Compensable	3,753,952	+179,690	−2,206,751
Weeks compensated	[3] 3,539,000	+52,000	−1,972,000
Total unemployment	[3] 3,411,000	+42,000	−1,960,000
Other than total unemployment [4]	[3] 128,000	+10,000	−12,000
First payments	[3] 272,000	+58,000	−389,000
Exhaustions	[3] 123,000	([5])	+73,000
Weekly average beneficiaries [6]	[3] 764,000	−75,000	−507,000
Benefits paid [7]	[3] $64,430,000	+$1,215,000	−$42,019,000
Benefits paid since first payable [8]	$3,598,493,580		
Funds available as of Oct. 31 [9]	$6,711,875,515	−$79,666,822	−$269,483,718

[1] Excludes Texas, which has no provision for filing additional claims, and Maryland before April 1946, Ohio before September 1946, and Wisconsin before February 1946.
[2] Excludes Maryland, which has no provision for filing waiting-period claims.
[3] Includes estimates for Minnesota, and for Pennsylvania for total and other than total unemployment.
[4] Excludes Montana, which has no provision for payment of other than total unemployment, and Pennsylvania before January 1946.
[5] Decrease of less than 500.
[6] Before July 1946, computed from weeks compensated in the calendar month; beginning July 1946, computed from weeks compensated in the weeks ended during the month.
[7] Gross: not adjusted for voided benefit checks and transfers under interstate combined wage plan.
[8] Net: adjusted for voided benefit checks and transfers under interstate combined wage plan. Includes Alaska, Maryland, and Washington as of Sept. 30, 1946.
[9] Includes Alaska, Maryland, and Washington as of Sept. 30, 1946.

the national increase. Benefit payments in California, New Jersey, and Pennsylvania were up more than a quarter million. Michigan's disbursements, on the other hand, were $1.3 million less than in September and compensated for 60,200 fewer weeks of all types of unemployment. Ten States—Colorado, Connecticut, Idaho, Indiana, Kentucky, Michigan, New Mexico, North Dakota, Vermont, and Virginia—reported declines of more than 25 percent in benefit payments.

Unemployment, as represented by the ratio of continued claims to covered workers, has declined each month since March, when a high of

Table 2.—*Initial claims received in local offices, by State, October 1946*

[Data reported by State agencies; corrected to Nov. 18, 1946]

Region and State	Total[1]: All claimants	Total[1]: Amount of change from— Sept. 1946	Total[1]: Amount of change from— Oct. 1945	Total[1]: Women claimants	Total[1]: Interstate as percent of total	New: All claimants	New: Women claimants
Total	681,592	+101,292	−236,193	290,117	7.2	433,115	192,995
Region I:							
Conn	6,411	+1,232	−10,401	3,005	6.6	4,466	2,003
Maine	2,147	+289	−1,895	919	8.9	1,290	585
Mass	24,799	+2,575	−2,479	11,662	4.0	16,114	7,399
N. H	1,361	+159	−343	717	13.7	1,005	543
R. I	4,099	+528	−7,958	1,633	4.5	2,647	1,170
Vt	465	+142	−250	261	25.2	335	165
Region II–III:							
Del	1,712	+687	−507	855	11.1	1,338	721
N. J	36,079	+217	−17,716	17,204	3.8	26,067	12,579
N. Y	160,934	+46,969	+29,358	77,245	3.5	84,566	41,096
Pa	95,790	+55,216	−16,783	29,433	2.7	59,817	22,541
Region IV:							
D. C	1,226	+285	+658	584	26.6	1,127	547
Md	6,577	+21	−8,808	2,535	15.0	5,347	2,061
N. C	4,492	−549	−1,469	2,244	12.9	3,358	1,637
Va	3,646	+127	−1,432	1,664	16.3	2,841	1,261
W. Va	6,324	+241	−17,500	1,773	13.6	5,131	1,512
Region V:							
Ky	6,192	+369	−6,337	2,407	25.6	5,016	1,962
Mich	36,007	−16,127	−24,089	13,984	4.2	23,627	10,456
Ohio	17,054	−1,191	−30,658	8,250	6.5	13,866	7,151
Region VI:							
Ill	35,263	−1,727	−28,725	15,522	5.6	20,479	9,242
Ind	14,057	+3,833	−20,509	5,553	4.2	6,966	2,879
Wis	3,541	−1,125	−3,460	1,476	8.2	[2] 2,603	[2] 1,048
Region VII:							
Ala	6,292	−662	−10,317	2,052	10.8	5,035	1,781
Fla	7,931	+2,119	−190	3,631	30.5	6,411	2,745
Ga	5,263	+643	−3,581	2,593	9.0	3,463	1,773
Miss	2,208	+50	−1,037	893	30.7	1,872	770
S. C	3,262	+855	+804	1,446	14.7	2,746	1,293
Tenn	9,220	+1,342	−3,570	4,566	11.8	7,707	3,842
Region VIII:							
Iowa	3,018	−3,739	−1,588	1,590	13.0	2,425	1,322
Minn	3,011	−1,007	−5,503	1,146	20.9	2,324	967
Nebr	1,329	−2,195	−380	591	17.0	983	482
N. Dak	204	−27	−1	87	68.1	171	73
S. Dak	252	−943	−57	113	44.8	218	100
Region IX:							
Ark	4,154	+102	−3,183	1,547	42.8	3,572	1,386
Kans	4,460	−2,109	−4,964	2,138	21.4	3,578	1,869
Mo	22,906	−671	−531	10,117	9.9	12,675	5,614
Okla	6,479	−94	−4,300	2,700	27.2	5,114	2,367
Region X:							
La	9,780	+2,333	−3,658	2,787	9.3	8,250	2,464
N. Mex	647	+201	+259	230	52.4	615	223
Tex	10,465	+883	−5,099	3,700	13.9	10,465	3,700
Region XI:							
Colo	1,158	+25	−405	576	44.3	994	511
Idaho	442	+143	+83	251	44.6	358	201
Mont	941	−214	−166	397	32.1	673	318
Utah	1,285	+300	+445	564	18.1	897	426
Wyo	190	−17	+77	103	41.1	157	89
Region XII:							
Ariz	1,877	+339	−815	786	53.1	1,635	709
Calif	84,791	+8,776	−7,154	39,658	6.6	49,324	24,897
Nev	696	+114	+244	303	50.1	589	270
Oreg	5,816	+1,211	−6,027	1,917	16.5	3,008	1,078
Wash	14,434	+1,084	−5,065	4,507	7.1	9,026	2,977
Regions XIII and XIV:							
Alaska	228	+150	+117	45	14.5	168	36
Hawaii	677	+129	+672	157	2.1	656	154

[1] Includes additional claims except in Texas, which has no provision for filing additional claims.
[2] Since Wisconsin has no provision for a benefit year, a new claim is a claim requiring a determination of benefit amount and duration, as well as eligibility for benefits, on a per employer basis.

Table 3.—*Continued claims received in local offices, by State, October 1946*

[Data reported by State agencies; corrected to Nov. 18, 1946]

Region and State	Total[1]: All claimants	Total[1]: Amount of change from— September 1946	Total[1]: Amount of change from— October 1945	Total[1]: Women claimants	Total[1]: Interstate as percent of total[2]	Compensable: All claimants	Compensable: Women claimants
Total	4,140,790	+246,157	−2,530,052	1,871,214	9.2	3,753,952	1,693,243
Region I:							
Conn	22,811	−6,536	−118,452	9,572	12.2	20,767	8,707
Maine	17,664	−1,844	−1,275	5,002	10.0	16,874	4,670
Mass	164,992	−15,465	−65,195	64,843	4.2	151,135	58,271
N. H	6,188	+725	−1,762	3,249	18.7	5,389	2,733
R. I	29,132	−3,697	−26,590	9,720	6.6	27,156	8,842
Vt	2,765	−633	−3,967	1,676	28.5	2,464	1,512
Region II–III:							
Del	7,212	+1,664	−5,274	3,639	11.1	6,581	3,300
N. J	234,573	+33,161	−316,149	102,965	4.6	214,099	93,170
N. Y	956,963	+114,975	+152,733	462,719	3.8	836,597	402,592
Pa	453,602	+105,303	−34,742	157,345	5.5	404,597	140,711
Region IV:							
D. C	11,374	+935	+8,976	4,854	13.9	10,636	4,493
Md	46,070	−5,212	−62,555	16,843	2.7	46,070	16,843
N. C	32,941	−260	−9,920	20,259	15.0	30,422	18,930
Va	24,722	−5,261	−1,142	11,228	22.0	23,265	10,632
W. Va	51,111	+1,630	−8,793	15,517	20.8	49,384	15,031
Region V:							
Ky	56,992	+7,300	−42,532	25,948	30.5	54,285	24,477
Mich	184,914	−60,626	−667,219	97,849	5.0	169,120	90,844
Ohio	139,332	+4,089	−363,952	70,696	6.3	114,645	57,203
Region VI:							
Ill	301,013	+6,237	−296,963	139,800	4.9	288,135	134,396
Ind	40,187	−2,642	−187,208	17,012	11.4	35,435	15,084
Wis	21,843	−3,496	−61,770	11,919	13.9	19,660	10,929
Region VII:							
Ala	55,675	−1,443	−53,430	19,027	10.6	51,772	17,452
Fla	44,303	+4,648	+5,720	22,708	32.3	41,848	21,388
Ga	27,529	−404	−52,693	13,924	14.2	22,507	11,286
Miss	15,460	+61	−5,377	7,248	34.6	13,810	6,448
S. C	14,325	+2,797	+221	7,599	35.0	12,102	6,676
Tenn	78,639	+4,010	−22,429	40,998	16.2	74,188	38,674
Region VIII:							
Iowa	29,849	+6,511	−11,786	15,286	13.0	26,217	13,250
Minn	17,063	−929	−25,304	6,882	24.3	15,962	6,457
Nebr	10,526	+852	+117	4,656	18.0	8,146	3,666
N. Dak	1,817	−362	+798	1,044	76.1	1,796	1,032
S. Dak	4,727	+661	+3,264	2,333	37.7	4,624	2,293
Region IX:							
Ark	41,972	−9,797	−5,130	18,451	42.6	40,781	17,902
Kans	36,743	+7,726	−24,316	18,290	21.1	34,734	17,209
Mo	135,677	+18,620	−64,612	59,690	15.4	119,378	52,170
Okla	40,505	+1,280	−21,201	18,257	48.1	38,029	17,007
Region X:							
La	43,890	+2,839	−24,317	13,154	17.2	39,214	11,744
N. Mex	3,189	−217	+1,448	1,219	71.5	3,063	1,173
Tex	46,181	−1,579	−53,444	19,944	30.3	39,316	17,467
Region XI:							
Colo	7,038	−1,001	+1,551	3,939	46.8	6,605	3,739
Idaho	3,778	+4	+2,359	2,891	45.3	3,653	2,802
Mont	6,253	−275	+2,526	3,350	49.3	5,782	3,093
Utah	11,010	−349	+8,365	5,398	13.2	10,555	5,202
Wyo	1,056	−202	+668	615	48.6	975	576
Region XII:							
Ariz	8,570	+103	−6,251	4,153	57.3	8,182	3,985
Calif	472,925	+30,092	−128,698	244,054	6.8	439,058	227,104
Nev	2,953	+202	+1,458	1,477	48.4	2,791	1,409
Oreg	28,522	−1,764	−7,568	11,227	20.8	26,811	10,660
Wash	141,701	+11,949	+59,411	50,049	4.0	133,433	47,549
Regions XIII and XIV:							
Alaska	373	+261	+218	97	23.1	299	65
Hawaii	2,140	+1,516	+2,131	599	3.8	1,605	395

[1] Includes waiting-period claims except in Maryland, which has no provision for filing such claims; in some States includes claims for more than 1 week.
[2] Total continued claims in some States includes claims for more than 1 week.

6.8 percent was reached. For the week ended October 12, it was 3.3 percent, in comparison with 3.5 percent for September, 3.9 percent for August, and 4.6 percent for July. The October decline occurred despite increases in 14 States, including the large industrial States of New Jersey, New York, and Pennsylvania. Washington's ratio of 6.0 percent was the highest; New York and Oklahoma were next with ratios of 5.5 and 5.4 percent, respectively. Except for Delaware, all States in regions II–III and IX had ratios above the national average, and all but 2 of them—Arkansas and Oklahoma—reported higher ratios for October than for

Table 4.—*Number of weeks compensated and amount of benefits paid for all types of unemployment, and average weekly payment for total unemployment, by State, October 1946*

[Data reported by State agencies; corrected to Nov. 15, 1946]

Region and State	Weeks compensated for unemployment				Benefits paid [1]				Average weekly payment for total unemployment	
	All claimants	Amount of change from—		Women claimants	All claimants	Amount of change from—		Women claimants	All claimants	Women claimants
		September 1946	October 1945			September 1946	October 1945			
Total [2]	3,539,000	+52,000	−1,972,000	1,580,000	$64,430,000	+$1,215,000	−$42,019,000	$27,475,000	$18.39	$17.59
Region I:										
Connecticut	37,717	−13,750	−171,125	16,652	768,197	−292,846	−3,503,511	301,132	20.64	18.40
Maine	16,068	−1,449	+1,669	4,154	264,734	−20,572	+29,631	52,669	16.82	13.20
Massachusetts	145,256	−3,502	−27,221	55,514	3,088,019	−106,229	−196,305	1,028,005	21.79	19.30
New Hampshire	4,573	+917	−379	2,317	61,760	+14,544	−4,327	28,842	13.95	13.06
Rhode Island	25,666	−5,313	−28,062	8,112	412,913	−76,403	−497,818	129,029	17.24	16.55
Vermont	1,701	−764	−2,606	1,033	26,953	−11,566	−45,664	15,184	16.41	15.32
Region II–III:										
Delaware	5,577	+913	−4,441	2,584	81,903	+9,797	−85,201	34,961	15.75	14.99
New Jersey	191,148	+13,555	−306,003	77,323	3,822,511	+283,062	−6,437,609	1,545,597	20.28	20.45
New York	863,381	+92,785	+191,280	421,037	16,650,162	+1,815,727	+3,260,343	7,794,935	19.29	18.53
Pennsylvania	342,441	+19,292	+498	(3)	6,168,245	+395,561	−16,110	(3)	(3)	(3)
Region IV:										
District of Columbia	8,888	+188	+7,099	3,883	149,246	+2,178	+116,984	60,737	16.79	15.66
Maryland	53,260	−11,631	−71,529	19,282	970,623	−231,502	−1,393,919	326,162	18.80	17.77
North Carolina	23,350	+3,054	−8,531	15,486	292,653	+43,491	−135,285	176,297	12.66	11.50
Virginia	20,765	−7,917	+2,787	10,039	272,848	−109,408	+37,714	123,672	13.31	12.52
West Virginia	36,323	+2,531	+4,082	10,414	559,210	+36,209	+55,869	138,285	15.46	13.62
Region V:										
Kentucky	29,363	−14,169	−9,987	14,271	346,368	−146,639	−163,475	158,502	11.89	11.15
Michigan	167,357	−60,209	−757,915	[4] 87,561	3,207,009	−1,316,752	−17,386,798	[4] 1,677,907	19.20	[4] 19.20
Ohio	107,154	+3,461	−240,272	50,493	1,896,290	+72,761	−4,750,199	852,820	17.83	17.00
Region VI:										
Illinois	261,465	−5,422	−220,979	110,443	4,739,722	−51,908	−4,299,686	1,884,039	18.50	17.49
Indiana	30,579	−14,845	−106,205	12,547	528,981	−272,616	−2,005,270	197,945	17.89	16.48
Wisconsin	16,563	−262	−47,135	9,221	268,494	−5,608	−862,730	136,554	16.68	15.32
Region VII:										
Alabama	50,080	−1,496	−31,063	16,861	791,131	−16,206	−607,034	236,261	15.93	14.09
Florida	30,221	+633	+2,145	15,201	401,460	+2,604	+7,482	190,019	13.52	12.78
Georgia	18,415	−239	−41,882	10,083	251,832	−1,208	−749,445	125,296	13.77	12.48
Mississippi	9,340	+850	−789	4,909	112,751	+10,922	−21,867	54,600	12.49	11.72
South Carolina	10,548	+1,253	+7,014	4,620	149,791	+19,075	+103,769	54,151	14.31	11.82
Tennessee	66,133	+14,192	+14,585	33,107	874,019	+212,997	+170,920	414,951	13.28	12.61
Region VIII:										
Iowa	23,059	+11,517	−8,377	10,818	369,254	+192,852	−158,329	165,975	16.27	15.59
Minnesota [3]	----	----	----	----	----	----	----	----	----	----
Nebraska	9,458	+2,561	+2,424	3,997	153,471	+45,618	+37,926	61,293	16.54	15.60
North Dakota	522	−259	+478	311	8,397	−3,540	+7,742	4,524	16.46	14.90
South Dakota	3,430	+2,607	+3,130	1,372	49,583	+38,421	+45,825	19,476	14.66	14.33
Region IX:										
Arkansas	30,020	−9,252	+7,543	13,070	391,855	−122,340	+87,080	161,463	13.11	12.40
Kansas	26,587	+4,180	−28,325	11,219	387,349	+63,672	−461,539	156,724	14.83	14.21
Missouri	82,929	+10,670	−73,890	37,868	1,370,780	+209,637	−1,279,851	575,193	16.69	15.39
Oklahoma	37,561	+7,492	−4,903	17,737	613,494	+124,864	−135,295	283,407	16.51	16.14
Region X:										
Louisiana	44,392	−1,326	−3,913	13,012	671,454	−9,059	−132,201	178,742	15.48	13.93
New Mexico	942	−426	+725	300	12,893	−5,174	+9,996	3,817	13.78	12.78
Texas	48,482	−1,364	−4,728	17,342	707,035	−20,940	−132,136	225,378	14.84	12.89
Region XI:										
Colorado	4,279	−1,417	+2,031	2,395	58,311	−20,060	+27,416	31,368	13.66	13.13
Idaho	1,603	−880	+1,222	1,305	22,543	−10,842	+17,555	17,660	14.08	13.54
Montana	2,691	−27	+1,907	1,396	34,864	+93	+24,382	16,508	12.96	11.83
Utah	9,259	−1,293	+7,458	4,137	208,515	−30,792	+166,036	87,195	22.99	21.63
Wyoming	773	−212	+677	281	14,081	−4,046	+12,363	4,635	18.50	16.95
Region XII:										
Arizona	4,074	−351	−5,970	1,993	56,785	−5,306	−91,384	26,805	13.99	13.47
California	446,840	+21,878	−90,084	233,427	8,406,805	+477,931	−2,002,818	4,297,971	19.04	18.70
Nevada	1,994	+86	+1,186	904	35,511	+1,398	+20,844	15,485	17.94	17.18
Oregon	25,474	−2,158	−451	9,503	424,065	−38,975	−11,972	150,663	16.90	16.17
Washington	142,510	+2,040	+74,657	54,230	2,894,409	+65,986	+1,424,085	958,212	20.43	17.73
Regions XIII and XIV:										
Alaska	590	+3	+48	118	9,200	+25	+590	1,765	15.63	14.98
Hawaii	1,774	+1,432	+1,755	679	31,786	+24,536	+31,351	7,666	22.51	19.70

[1] Gross: not adjusted for voided benefit checks and transfers under interstate combined wage plan.

[2] Includes estimates for Minnesota, and for Pennsylvania for weeks compensated and benefits paid to women claimants and for average weekly payment for total unemployment.

[3] Data not available.

[4] Data estimated by State agency.

September. This ratio was less than 1 percent in Idaho, Wisconsin, and Wyoming. Michigan, for the first time since the data became available in September 1945, had a ratio below the national average.

Women claimants filed 43 percent of the initial claims and 45 percent of the continued claims, and they received 43 percent of the benefits paid during the month.

A total of 272,000 workers—119,000 of them women—received their first benefit check in their benefit year. At the same time, 123,000 persons exhausted all benefit rights and received their last check. Only Arkansas, Idaho, Maryland, and Oregon had more exhaustions than first payments. New York reported 40,600 first payments and no exhaustions, as all its eligible claimants are entitled to 26 weeks of benefits beginning June 5.

Funds available for the payment of benefits on September 30 totaled $6,712 million, approximately $79.7 million less than was on hand a

Table 5.—*Number of individuals*[1] *compensated for unemployment during weeks ended in October 1946*

[Data reported by State agencies; corrected to Nov. 15, 1946]

Region and State	Weeks ended—							
	Oct. 5	Oct. 12	Oct. 19	Oct. 26	Oct. 5	Oct. 12	Oct. 19	Oct. 26
	For all types of unemployment				For total unemployment			
Total [2]	756,000	766,000	776,000	760,000	740,000	755,000	745,000	729,000
Region I:								
Connecticut	8,570	8,487	7,786	7,542	8,304	8,231	7,504	7,226
Maine	3,384	3,338	3,356	3,226	3,055	2,913	2,892	2,795
Massachusetts	33,178	31,767	30,594	28,944	31,593	30,294	28,973	27,470
New Hampshire	771	870	1,237	1,011	720	812	1,170	924
Rhode Island	5,952	5,765	5,436	5,241	5,074	4,844	4,623	4,432
Vermont	387	366	322	435	350	328	296	410
Region II-III:								
Delaware	998	1,114	1,396	1,227	945	951	1,170	1,046
New Jersey	41,304	46,329	36,669	41,563	40,175	44,879	35,307	40,292
New York	167,360	182,262	183,263	183,226	157,423	171,296	171,177	171,282
Pennsylvania	67,570	62,414	81,049	81,692	(3)	(3)	(3)	(3)
Region IV:								
District of Columbia	1,432	1,871	1,934	2,317	1,426	1,848	1,892	2,279
Maryland	13,403	11,994	11,236	10,631	12,607	11,050	10,624	9,985
North Carolina	4,794	5,488	4,073	6,261	4,627	5,292	3,977	6,043
Virginia	5,252	4,810	4,733	4,206	5,103	4,591	4,616	4,038
West Virginia	7,792	8,499	7,694	8,009	6,869	7,465	6,444	6,623
Region V:								
Kentucky	3,061	7,472	7,446	8,352	2,979	7,278	7,248	8,195
Michigan	42,212	36,797	35,963	33,860	38,570	34,588	33,619	32,100
Ohio	18,273	23,212	23,501	22,267	17,914	22,533	23,051	21,838
Region VI:								
Illinois	65,598	58,193	54,795	54,193	62,415	55,614	52,217	51,599
Indiana	7,830	6,504	7,794	5,241	7,313	6,075	7,279	4,895
Wisconsin	3,928	3,363	3,961	3,559	3,562	3,030	3,586	3,260
Region VII:								
Alabama	11,389	11,103	13,052	10,446	11,083	10,739	12,487	10,014
Florida	6,366	6,578	7,116	6,939	6,179	6,404	7,116	6,436
Georgia	4,028	4,143	3,880	4,145	3,983	4,049	3,798	4,015
Mississippi	2,148	1,684	2,294	1,746	1,986	1,507	2,122	1,601
South Carolina	2,100	2,299	2,150	2,100	2,054	2,245	2,104	2,070
Tennessee	13,032	18,658	13,639	12,332	12,773	18,513	13,368	12,172
Region VIII:								
Iowa	4,588	5,935	5,698	4,856	4,364	5,640	5,402	4,606
Minnesota [3]	------	------	------	------	------	------	------	------
Nebraska	1,919	2,342	2,327	2,425	1,869	2,252	2,218	2,254
North Dakota	149	72	135	108	133	62	128	95
South Dakota	606	1,057	846	576	584	1,004	818	552
Region IX:								
Arkansas	6,425	7,418	6,180	5,981	6,285	7,339	6,081	5,899
Kansas	6,385	6,191	5,938	5,518	6,111	5,907	5,632	5,207
Missouri	16,931	18,395	20,877	19,186	16,620	18,072	20,495	18,905
Oklahoma	9,645	8,489	7,192	8,534	9,303	8,190	6,968	8,414
Region X:								
Louisiana	10,165	8,100	11,222	8,677	9,506	7,686	10,523	8,258
New Mexico	259	229	188	205	253	222	186	204
Texas	11,202	9,262	12,860	9,490	10,606	8,874	12,302	9,058
Region XI:								
Colorado	877	896	987	876	861	879	971	862
Idaho	541	217	192	551	538	214	191	547
Montana	624	525	675	565	624	525	675	565
Utah	2,335	2,163	1,853	1,929	2,238	1,953	1,736	1,815
Wyoming	174	147	191	153	168	140	185	150
Region XII:								
Arizona	888	861	1,023	961	872	846	999	938
California	97,558	97,082	97,516	95,299	93,489	93,090	93,559	91,098
Nevada	461	487	441	448	447	475	434	435
Oregon	5,448	5,697	5,101	5,896	5,269	5,478	4,897	5,665
Washington	32,201	31,249	33,114	32,539	31,474	30,299	32,312	31,780
Regions XIII and XIV:								
Alaska	149	8	221	130	147	8	219	128
Hawaii	261	286	476	286	227	211	268	261

[1] Number of individuals is assumed to be identical with number of weeks compensated. This assumption may result in a slight overstatement of number of individuals.

[2] Includes estimates for Minnesota, and for Pennsylvania for total unemployment.

[3] Data not available.

Table 6.—*Unemployment in week ended October 12, 1946, as reflected by continued claims for unemployment insurance*[1] *as percent of average monthly covered employment in 1945*

Region and State	Claims [1]	Average monthly covered employment [2] (in thousands)	Claims as percent of covered employment
Total	924,706	27,903.1	3.3
Region I:			
Connecticut	8,437	564.0	1.5
Maine	3,593	156.4	2.3
Massachusetts	35,513	1,314.7	2.7
New Hampshire	1,526	107.7	1.4
Rhode Island	6,276	212.5	3.0
Vermont	604	55.7	1.1
Region II-III:			
Delaware	1,680	75.7	2.2
New Jersey	48,350	1,116.0	4.3
New York	207,125	3,760.9	5.5
Pennsylvania	105,326	2,601.7	4.0
Region IV:			
Dist. of Columbia	2,579	188.7	1.4
Maryland	9,972	465.8	2.1
North Carolina	7,194	524.1	1.4
Virginia	5,578	416.2	1.3
West Virginia	11,484	325.9	3.5
Region V:			
Kentucky	9,520	308.2	3.1
Michigan	40,626	1,354.8	3.0
Ohio	30,316	1,857.2	1.6
Region VI:			
Illinois	63,804	2,067.9	3.1
Indiana	9,113	779.1	1.2
Wisconsin	4,879	638.2	.8
Region VII:			
Alabama	12,346	394.0	3.1
Florida	10,270	317.6	3.2
Georgia	6,089	453.5	1.3
Mississippi	3,448	155.0	2.2
South Carolina	4,260	247.1	1.7
Tennessee	16,938	465.8	3.6
Region VIII:			
Iowa	7,385	288.1	2.6
Minnesota	7,108	455.7	1.6
Nebraska	3,474	138.0	2.5
North Dakota	436	29.7	1.5
South Dakota	1,142	37.1	3.1
Region IX:			
Arkansas	8,666	193.0	4.5
Kansas	8,165	223.6	3.7
Missouri	29,406	698.4	4.2
Oklahoma	12,935	241.2	5.4
Region X:			
Louisiana	14,410	356.8	4.0
New Mexico	682	59.8	1.1
Texas	15,916	958.0	1.7
Region XI:			
Colorado	1,568	157.6	1.0
Idaho	536	66.6	.8
Montana	1,355	71.1	1.9
Utah	2,197	96.1	2.3
Wyoming	250	39.6	.6
Region XII:			
Arizona	1,839	81.4	2.3
California	103,079	1,973.1	5.2
Nevada	661	29.2	2.3
Oregon	6,499	279.0	2.3
Washington	30,151	505.6	6.0

[1] Estimated number of continued claims for week in which the 8th of the month falls.

[2] Represents workers in covered employment in the pay period of each type (weekly, semimonthly, etc.) ending nearest the 15th of the month.

month earlier (table 1). California's withdrawal during September of $103.2 million from the unemployment trust fund for transfer to its cash sickness fund accounted for the sharp decline in total funds available for benefits.

Interstate Claims

The volume of interstate claims received as liable State fell off substantially during September, when 38,800 initial and 378,900 continued claims were received, in contrast to 47,300 and 444,700, respectively, in August (table 8). Outstanding in the decline of initial interstate claims was the drop of 4,300 in Washington. New Jersey was the only large industrial State to report an increase in this type of claim during September. Continued claims received as liable State dropped from 444,700 to 378,900, and only 6 States—Delaware, Kansas, New Hampshire, North Carolina, Utah, and Washington—reported increases. Washington's increase of 5,100 was outstanding.

Veterans' Unemployment Allowances

Readjustment allowances to veterans dropped back to $100 million in October, the smallest amount since January of this year. Only 413,000 veterans filed initial claims; the drop of 34,000 from September continued

Table 7.—*Interstate claims received, weeks compensated by interstate payments, and amount of interstate benefit payments, by liable State, September 1946*

[Data reported by State agencies; corrected to Nov. 5, 1946]

Region and liable State	Initial		Continued		Weeks compensated	Benefit payments
	Total	Women	Total	Women		
Total	38,805	18,709	378,921	185,819	283,565	$5,168,609
Region I:						
Connecticut	827	409	8,154	3,696	5,989	126,661
Maine	99	51	542	314	549	8,044
Massachusetts	677	382	4,802	2,586	3,037	66,949
New Hampshire	141	83	673	348	445	5,274
Rhode Island	289	146	2,791	1,448	2,356	38,448
Vermont	43	17	262	133	163	2,908
Region II-III:						
Delaware	142	54	1,083	403	733	12,021
New Jersey	1,873	862	12,925	6,710	8,452	173,538
New York	2,147	1,233	26,953	16,601	30,213	592,459
Pennsylvania	1,483	644	12,371	5,404	8,030	145,105
Region IV:						
Dist. of Columbia	379	261	2,547	1,555	2,077	36,074
Maryland	696	337	20,176	8,284	15,406	297,319
North Carolina	580	401	3,689	2,747	2,198	26,042
Virginia	387	192	5,016	2,554	3,314	45,579
West Virginia	483	141	2,878	911	1,710	26,587
Region V:						
Kentucky	248	105	3,585	1,516	2,638	31,067
Michigan	1,793	786	19,852	9,961	14,394	282,865
Ohio	1,307	629	19,996	8,738	9,167	174,400
Region VI:						
Illinois	2,271	1,130	26,345	13,574	16,831	314,524
Indiana	1,322	502	7,763	2,462	5,522	103,557
Wisconsin	238	107	1,336	639	743	13,457
Region VII:						
Alabama	661	244	4,098	1,362	1,980	34,469
Florida	855	431	6,599	3,380	3,315	46,524
Georgia	530	301	3,081	1,802	1,754	26,190
Mississippi	221	106	1,416	700	945	12,136
South Carolina	184	86	1,082	545	514	7,519
Tennessee	1,121	433	11,163	4,657	7,378	102,183
Region VIII:						
Iowa	249	147	840	389	536	8,463
Minnesota	235	128	1,859	1,044	1,174	19,604
Nebraska	224	141	1,482	1,005	891	13,969
North Dakota	31	19	180	113	107	1,725
South Dakota	32	19	59	41	28	389
Region IX:						
Arkansas	386	146	5,140	1,908	4,114	55,624
Kansas	1,595	540	9,233	3,504	5,369	81,176
Missouri	1,428	861	10,868	6,903	5,555	91,019
Oklahoma	584	301	4,225	2,428	2,608	43,180
Region X:						
Louisiana	546	251	3,691	1,643	2,676	42,819
New Mexico	78	30	721	272	487	6,588
Texas	1,114	468	7,519	2,713	5,084	81,468
Region XI:						
Colorado	238	123	1,779	1,123	1,280	17,314
Idaho	62	28	320	173	147	2,249
Montana	49	21	312	180	195	2,577
Utah	160	71	1,343	627	938	22,111
Wyoming	76	27	520	196	361	6,736
Region XII:						
Arizona	296	137	1,476	746	893	12,546
California	7,321	3,648	75,107	35,779	65,977	1,260,190
Nevada	123	64	880	454	674	12,154
Oregon	329	173	8,042	4,080	5,559	92,580
Washington	2,519	1,275	31,148	17,310	28,353	530,458
Regions XIII and XIV:						
Alaska	116	11	782	103	517	8,080
Hawaii	17	7	217	55	159	3,671

Table 8.—*Claims and payments for veterans' unemployment allowances, October 1946* [1]

State [2]	Initial claims	Continued claims			Weeks compensated	Payments
		Total	Because of unemployment	Because of illness or disability		
Total	412,974	4,899,956	4,833,773	66,183	5,032,741	$100,462,573
Alabama	4,788	99,617	98,386	1,231	100,032	1,995,336
Alaska	207	558	558	0	487	9,703
Arizona	2,475	12,968	12,191	777	12,894	256,036
Arkansas	4,284	68,076	67,041	1,035	74,422	1,485,397
California	35,980	240,929	234,347	6,582	228,397	4,549,394
Colorado	2,259	13,878	13,328	550	13,689	271,828
Connecticut	4,396	41,485	40,352	1,133	42,996	854,255
Delaware	1,209	7,947	7,889	58	7,633	150,457
Dist. of Columbia	1,460	26,077	25,613	464	22,492	459,235
Florida	6,878	88,841	86,176	2,665	90,790	1,813,118
Georgia	7,925	109,684	108,593	1,091	103,283	2,060,262
Hawaii	335	1,045	1,017	28	845	16,675
Idaho	262	961	904	57	781	15,528
Illinois	18,042	217,591	216,066	1,525	207,184	4,109,301
Indiana	10,748	76,504	75,494	1,010	95,401	1,895,176
Iowa	4,057	36,374	35,435	939	42,238	838,796
Kansas	4,402	38,523	37,436	1,087	36,909	732,648
Kentucky	7,325	234,023	233,310	713	234,024	4,675,012
Louisiana	7,408	58,441	57,931	510	107,530	2,235,230
Maine	2,412	26,079	25,441	638	27,908	608,484
Maryland	1,645	63,264	62,929	335	63,082	1,257,424
Massachusetts	17,670	246,583	242,994	3,589	253,191	5,050,636
Michigan	19,704	143,777	139,036	4,741	151,142	3,004,799
Minnesota	5,934	35,961	35,221	740	72,145	1,431,849
Mississippi	3,470	39,005	38,250	755	40,797	813,678
Missouri	13,946	168,508	166,450	2,058	156,340	3,108,279
Montana	1,219	7,159	7,012	147	6,915	137,842
Nebraska	1,531	12,228	12,083	145	13,480	267,090
Nevada	522	2,016	1,975	41	1,982	39,408
New Hampshire	1,673	8,031	7,861	170	7,809	154,529
New Jersey	15,350	258,023	255,295	2,728	262,267	5,236,732
New Mexico	1,842	10,388	10,070	318	8,876	176,811
New York	77,864	633,871	625,148	8,723	649,274	12,941,230
North Carolina	6,050	63,030	60,822	2,208	58,014	1,158,156
North Dakota	685	2,307	2,251	56	1,858	36,857
Ohio	10,026	167,785	165,016	2,769	178,916	3,561,565
Oklahoma	6,120	85,274	84,534	740	100,522	2,004,427
Oregon	4,519	16,660	16,197	463	17,536	348,982
Pennsylvania	42,601	653,222	649,760	3,462	636,430	12,712,488
Puerto Rico	1,570	84,361	82,722	1,639	77,936	1,557,530
Rhode Island	2,245	40,999	40,403	596	41,688	831,303
South Carolina	4,110	39,534	38,723	811	69,500	1,386,347
South Dakota	754	6,277	6,266	11	6,552	130,073
Tennessee	6,280	178,892	178,140	752	175,146	3,496,421
Texas	12,566	238,818	236,741	2,077	251,247	5,009,372
Utah	1,494	8,482	8,072	410	8,756	173,312
Vermont	493	2,892	2,817	75	2,819	55,927
Virginia	4,256	70,733	70,044	689	71,832	1,431,214
Washington	5,889	30,545	30,133	412	29,222	579,145
West Virginia	7,969	139,662	138,288	1,374	127,536	2,545,911
Wisconsin	5,941	41,594	40,616	978	39,575	783,047
Wyoming	184	474	396	78	421	8,318

[1] Represents activities under provisions of title V of the Servicemen's Readjustment Act of 1944; excludes data for self-employed veterans.
[2] Includes Puerto Rico.

Source: Data reported to Readjustment Allowance Service, Veterans Administration, by unemployment compensation agencies in 48 States, the District of Columbia, Alaska, and Hawaii, and by the Veterans Administration for Puerto Rico.

the decline that has been evident throughout 1946. Continued claims dropped sharply, falling off to 4.9 million in October from 6.1 million a month earlier.

In contrast to the national trend, initial claims rose in 16 States, including the industrial States of Ohio, Pennsylvania, and Delaware as well as States affected by the sharp seasonal slump in agricultural employment that began early in the month. For continued claims, only Alaska, Hawaii, and Kentucky, with increases of 236, 27, and 10 percent, varied from the national pattern.

Table 9.—*Nonfarm placements by State, October 1946*

U. S. Employment Service region and State	Total	Women	Veterans [1]
Total	546,835	158,205	202,048
Region I:			
Connecticut	8,487	2,712	3,388
Maine	5,177	1,011	1,134
Massachusetts	10,991	3,571	4,938
New Hampshire	3,081	630	976
Rhode Island	3,203	1,208	1,277
Vermont	1,326	362	529
Region II:			
New York	85,704	36,436	19,717
Region III:			
Delaware	911	394	331
New Jersey	12,207	5,753	3,831
Pennsylvania	24,564	8,110	10,841
Region IV:			
District of Columbia	1,828	702	615
Maryland	5,815	1,343	2,366
North Carolina	10,453	2,905	4,443
Virginia	6,677	2,292	2,254
West Virginia	3,309	1,052	1,231
Region V:			
Kentucky	3,698	997	1,660
Michigan	15,529	2,999	7,501
Ohio	30,904	8,088	11,260
Region VI:			
Illinois	21,779	4,446	7,241
Indiana	13,786	4,798	3,937
Wisconsin	11,237	3,109	5,226
Region VII:			
Alabama	14,413	3,347	5,322
Florida	13,167	5,103	4,677
Georgia	10,061	2,852	3,802
Mississippi	6,583	1,512	2,619
South Carolina	6,815	1,376	2,257
Tennessee	13,175	3,317	5,490
Region VIII:			
Iowa	8,381	1,989	3,962
Minnesota	11,449	1,997	5,038
Nebraska	3,667	633	1,540
North Dakota	1,441	270	588
South Dakota	1,455	279	715
Region IX:			
Arkansas	7,698	2,024	2,878
Kansas	6,150	1,362	2,686
Missouri	11,739	3,160	5,292
Oklahoma	8,383	2,008	3,241
Region X:			
Louisiana	5,097	1,303	2,175
New Mexico	2,728	435	1,397
Texas	38,802	9,125	16,227
Region XI:			
Colorado	6,270	804	2,931
Idaho	3,326	568	1,670
Montana	2,231	261	1,053
Utah	3,349	750	1,440
Wyoming	1,142	152	578
Region XII:			
Arizona	4,122	952	1,482
California	51,959	14,889	19,353
Nevada	2,156	601	658
Oregon	9,181	1,800	3,773
Washington	11,229	2,418	4,508

[1] Represents placements of veterans of all wars.

Source: Department of Labor, U. S. Employment Service.

Nonfarm Placements

With reported October employment at about the level of that for September, total nonfarm placements advanced nearly 3 percent during the month, from 532,000 to 547,000—the highest total since October 1945. Of the States with a relatively high number of placements, Massachusetts reported the greatest percentage increase—29 percent—and Florida, New York, Indiana, and Arizona also reported substantial gains, ranging from 11 to 22 percent. Half the States reported fewer placements than in September, but they included only 8 of the 23 States making 8,000 or more placements. For these 23 States, the declines ranged from 0.8 percent in Ohio to 23.3 percent in North Carolina.

Twenty-nine States made proportionately more placements of veterans in October than in September, and in the country as a whole the number rose from 192,000 to 202,000. Eight States—Arkansas, Delaware, Kentucky, Minnesota, Mississippi, Ohio, Virginia, and Wisconsin—which reported declines in total placements showed increases ranging from 0.5 to 15.3 percent in veterans' placements.

The month's increase in placements of women was slight, though in 13 States the increases were relatively greater than those for all or for veterans' placements.

Old-Age and Survivors Insurance

Workers With Permanently Insured Status on January 1, 1947

An estimated 8.2 million workers will have permanently insured status under old-age and survivors insurance on January 1, 1947. These workers can, regardless of their future employment, qualify for primary benefits either when or after they reach age 65; and, in the event of death, their survivors can qualify for monthly benefits or lump-sum death payments. Approximately 4.8 million of these workers will have acquired this status by obtaining their fortieth quarter of coverage during the last calendar quarter of 1946. An additional 3.4 million workers will have this status with less than 40 quarters of coverage.

All workers who are fully insured and have attained age 65 are permanently insured. Younger workers can achieve permanently insured status when they acquire the number of quarters of coverage they will need to be fully insured at age 65. For workers in this latter group who were born before 1892 and so will attain age 65 before 1957, the maximum number of quarters of coverage required for permanently insured status varies from 6 to 39, depending on the date when the workers attain age 65. Workers attaining age 65 after 1956 need 40 quarters of coverage to be permanently insured.

A distribution of this total of 8.2 million persons, by sex, age, and quarter-of-coverage requirements, is as follows:

Age at birthday in 1946	Quarter-of-coverage requirement for permanently insured status	Workers permanently insured on January 1, 1947 (in millions)		
		Total	Male	Female
Total	6–40	8.2	7.0	1.2
Under 55	40	4.8	4.0	.8
55–64	20–39	1.8	1.6	.2
65 and over	6–19	1.6	1.4	.2

Of the 1.6 million insured workers aged 65 and over, about 700,000 are expected to be receiving primary benefits—that is, be in current-payment status—at the end of 1946.

At the beginning of 1947, nearly one out of every four fully insured workers will also be permanently insured. The effect of the more liberal requirements for permanently insured status at the older ages is illustrated in a comparison, by age, be-

Table 1.—*Monthly benefits in current-payment status* [1] *at the end of the month, by type of benefit and month, October 1945–October 1946, and monthly benefit actions, by type of benefit, October 1946*

[Amounts in thousands; data corrected to Nov. 15, 1946]

Item	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Monthly benefits in current-payment status at end of month:														
1945														
October	1,218,023	$22,414.2	482,989	$11,660.7	148,378	$1,899.3	374,145	$4,651.8	89,473	$1,804.8	117,029	$2,319.1	6,009	$78.5
November	1,255,792	23,164.5	501,786	12,131.6	154,101	1,974.1	383,054	4,767.9	91,715	1,851.0	119,013	2,359.9	6,123	80.0
December	1,288,107	23,801.1	518,234	12,538.2	159,168	2,039.9	390,134	4,857.5	93,781	1,893.1	120,581	2,391.4	6,209	81.1
1946														
January	1,324,496	24,573.0	538,006	13,057.9	164,909	2,119.4	397,062	4,948.3	96,105	1,941.0	122,121	2,424.3	6,293	82.2
February	1,362,473	25,374.3	558,757	13,599.7	171,057	2,203.7	404,092	5,040.5	98,531	1,989.9	123,670	2,457.3	6,366	83.2
March	1,403,698	26,232.6	581,084	14,171.8	177,795	2,293.6	411,429	5,138.2	101,409	2,048.1	125,515	2,496.3	6,466	84.5
April	1,441,074	26,976.7	600,759	14,657.3	183,570	2,368.3	419,153	5,236.3	104,035	2,101.2	126,989	2,527.9	6,568	85.7
May	1,474,015	27,633.1	617,562	15,076.0	188,668	2,435.3	426,141	5,324.1	107,254	2,166.2	127,756	2,544.8	6,634	86.6
June	1,502,085	28,210.8	632,038	15,443.3	193,241	2,496.6	431,202	5,391.2	110,168	2,225.9	128,688	2,565.8	6,748	88.1
July	1,527,880	28,771.9	646,996	15,833.0	197,947	2,560.1	433,533	5,420.1	113,092	2,284.5	129,437	2,584.2	6,875	90.0
August	1,553,914	29,326.1	661,781	16,212.6	202,930	2,627.8	436,144	5,450.5	116,213	2,347.9	129,882	2,596.1	6,964	91.1
September	1,579,112	29,825.5	673,438	16,509.0	206,794	2,679.7	442,905	5,541.6	118,839	2,400.7	130,070	2,601.9	7,066	92.6
October	1,606,412	30,374.1	685,626	16,825.8	210,622	2,733.3	451,489	5,661.8	121,951	2,464.0	129,520	2,594.6	7,204	94.5
Monthly benefit actions, October 1946:														
In force [2] beginning of month	1,796,890	34,286.9	786,714	19,331.6	234,422	3,038.1	476,566	5,962.0	120,915	2,441.6	171,113	3,419.8	7,160	93.8
Benefits awarded in month	45,558	914.8	20,961	531.5	7,357	98.1	9,754	130.5	3,658	74.2	3,631	77.6	197	2.8
Entitlements terminated [3]	14,024	258.1	4,512	110.6	2,266	28.7	3,849	50.7	476	9.6	2,858	57.7	63	.9
Net adjustments [4]	62	10.8	56	6.8	−41	.3	75	3.4	−18	−.4	−12	.7	2	(5)
In force end of month	1,828,486	34,954.3	803,219	19,759.3	239,472	3,107.8	482,546	6,045.2	124,079	2,505.9	171,874	3,440.5	7,296	95.7

[1] efit in current-payment status is subject to no deduction or only to de- d of fixed amount which is less than current month's benefit.

[2] resents total benefits awarded (including benefits in current, deferred, an ditional-payment status) after adjustment for subsequent changes in n and amount of benefits (see footnote 4) and terminations (see footnote 3), lative from January 1940.

[3] Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

[4] Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

[5] Less than $50.

twe n the number of fully insured ar permanently insured workers:

irthday 1946	Workers fully insured [1] as of January 1, 1947		
	Total (in millions)	Workers permanently insured	
		Number (in millions)	Percent
otal	35.5	8.2	23
Under 55	31.1	4.8	15
55–64	2.8	1.8	64
65 and over	1.6	1.6	100

[1] Not adjusted for veterans deemed to be fully insured under sec. 210 of title II as amended in 1946.

As the program matures, the permanently insured group will constitute a steadily increasing segment of the entire fully insured population—especially after 1956 when the maximum requirement of 40 quarters for fully insured status becomes operative. Thereafter, workers will be able to have permanently insured status even though their quarters of coverage number less than half the elapsed quarters.

Current Operations

Monthly Benefits in Current-Payment Status, October 1946

At the end of October, monthly benefits totaling $30.4 million were in current-payment status for 1.6 million beneficiaries (table 1).

During the month, 45,600 monthly benefit awards were processed, 15 percent more than in September; all types of benefits shared in the increase. Awards of primary and wife's benefits exceeded the September awards for these types by 14 percent but were fewer than for any other month since January 1946.

Of the $34.7 million certified in October, $32.2 million was for monthly benefits, including retroactive payments, and $2.5 million was for lump-sum death payments. These totals include $43,100 certified for monthly benefits and $138,900 for lump-sum payments payable under the 1946 amendments to survivors of veterans of World War II. The almost tenfold increase over the amount of such certifications in September was due not only to the increased number of claims but also to the progress made in processing the large backlog of these cases.

Public Assistance

Reasons for Opening Cases for Public Assistance, First and Second Quarters of 1946

Improved labor conditions, a decline in the number of dependents' allowances discontinued, and various other factors combined to reduce the number of cases accepted for public assistance in the second quarter of 1946, as compared with the preceding quarter. Openings for all types of assistance combined were 11 percent fewer. The four programs varied, however, in the number of cases added to the rolls. Openings decreased 25 percent for general assistance and 4 percent for aid to dependent children. On the other hand, they increased 15 percent for aid to the blind and 2 percent for old-age assistance.

Information on why individuals and families accepted for assistance were in need is reported by certain State public assistance agencies on a voluntary basis.[1] Cases accepted for assistance by these agencies comprised approximately two-fifths of all cases opened in each of the 2 quarters, and the data which they furnished help to explain the changes in the number of new cases added to the rolls and the dissimilarity among programs in this respect. The tabulation below shows the relationship between the openings for which information on reason for opening was reported and the total openings in each program.

Program and quarter	Cases opened for assistance		
	All States	States reporting reason for opening	
		Number	Percent of openings in all States
Four programs:			
January–March 1946	254,583	105,069	41.3
April–June 1946	227,132	97,715	43.0
Percentage change	10.8	−7.0	
Old-age assistance:			
January–March 1946	100,022	54,478	54.5
April–June 1946	101,625	53,536	52.7
Percentage change	+1.6	−1.7	
Aid to the blind:			
January–March 1946	2,720	1,295	47.6
April–June 1946	3,124	1,443	46.2
Percentage change	+14.9	+11.4	
Aid to dependent children:			
January–March 1946	41,759	25,155	60.2
April–June 1946	40,184	23,955	59.6
Percentage change	−3.8	−4.8	
General assistance:			
January–March 1946	110,082	24,141	21.9
April–June 1946	82,199	18,781	22.8
Percentage change	−25.3	−22.2	

[1] Data for the last quarter of 1945 were presented in the *Bulletin* for May 1946, p. 32.

In the States reporting reasons for openings, approximately 11 percent of the cases opened in the second quarter of 1946 were transferrals from general assistance to one of the other types of aid or were general assistance cases opened to supplement the payment of another type of aid. Aid to dependent children had the largest proportion of transferrals from general assistance, 18 percent; old-age assistance had 8 percent, and aid to the blind, 11 percent. Eight percent of the openings for general assistance were cases of supplementation (table 1). Since, however, transfers from one type of assistance to another and cases opened to supplement another assistance payment do not constitute additions to the assistance rolls, such cases have been disregarded in this analysis.

The classification of reasons for opening is designed to place chief emphasis on loss of income or increase in need that occurred within the preceding 6 months, rather than on other circumstances of eligibility. The reports therefore give an incomplete count of noneconomic reasons for opening cases, since such reasons are shown only in their relation to change in economic circumstances. In the report on aid to dependent children, for example, the death, continued absence, or incapacity of the parent of dependent children is recorded only if the death, absence, or incapacity produced recent changes in the family's income or resources.

Of the individuals and families accepted for assistance in the second quarter of 1946, 86 percent had recently experienced loss of income or increase in need. Such cases were 8 percent fewer than in the preceding quarter. The following analysis shows the types of situations responsible for these changes in economic circumstances and their relative importance as reasons for opening in the two periods.

Loss of employment or decreased earnings.—The most important single reason why individuals and families need assistance is loss of employment or decrease in earnings. This reason accounted for approximately two-fifths of the cases opened for all types of public assistance in each of the first 2 quarters of 1946 and for more than half the cases opened for general assistance. The number of cases accepted for this reason, however, decreased 10 percent from the first to the second quarter. In general assistance the decrease was 32 percent, and in aid to dependent children, 2 percent; while in aid to the blind and old-age assistance, such cases increased 17 percent and 5 percent, respectively. The large decline in the number of workers involved in work stoppages is no doubt chiefly responsible for the drop in cases opened for general assistance. Since a larger proportion of its recipients are employable, the general assistance case load is more closely affected by changes in the labor market than any of the other programs. Relatively fewer persons eligible for the other types of assistance—the aged, blind, and parents of dependent children—find employment, and in general they are the first to lose or give up their jobs when the demand for labor is lessened.

Most of the decrease in cases accepted because of unemployment resulted from lay-off, discharge, or some reason other than illness or disablement. Cases in the first group fell off 32 percent, whereas cases of illness or disablement rose 3 percent. Lay-off, discharge, or other reason was responsible for 40 percent of the unemployment cases opened for general assistance in the second quarter, in contrast to 24 percent for the other three programs. The recipient or the parent of dependent children was the person who had lost employment in approximately 80 percent of the cases of unemployment opened for the three special types of assistance.

Discontinuance of allowances.—As fewer men remain in the armed forces and the rate of demobilization drops, cases accepted for assistance because of the discontinuance of allowances or other service-connected income are

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expected to become insignificant in number. Although such cases added to the rolls in the second quarter of 1946 were 26 percent fewer than in the previous quarter, they constituted 12 percent of the cases opened. Aid to the blind was the only program in which there was an increase (3 percent) in cases opened for this reason.

Depletion of savings or capital assets.—Eleven percent of the cases accepted in the second quarter of 1946 were in need because of the exhaustion of savings or other resources. Openings for this reason rose 7 percent from the preceding quarter. In old-age assistance, which had the largest proportion of openings for this reason (15 percent), such cases increased 10 percent, but in general assistance they went down 7 percent. In aid to the blind and aid to dependent children there was little change in the number of these cases.

Death or absence of wage earner.—The death or absence of a wage earner was the reason for opening 9 percent of the cases accepted for public assistance in the second quarter of 1946. As might be expected, aid to dependent children had the largest proportion—26 percent. Eight percent of general assistance cases were opened for this reason, but only 2 percent in each of the old-age assistance and aid to the blind programs. Except for old-age assistance, which showed an increase of 7 percent, there was little change between the 2 quarters.

No material change in economic circumstances.—There had been no material change in economic circumstances within 6 months in 14 percent of all openings during the second quarter of 1946. Of these, 8 percent were accepted because they had attained technical eligibility, 1 percent because of changes in law or agency policy, and 5 percent for other reasons. The total number of cases in this group was 14 percent higher than in the preceding quarter. Cases which attained technical eligibility increased 17 percent, and cases opened for other reasons, 16 percent. All programs had a substantial increase in the number of cases opened because technical eligibility was attained, but such cases represented an insignificant proportion of the total in aid to dependent children and general assistance and only 13 percent of the openings in old-age assistance and aid to the blind. Openings because of change in law or agency policy decreased 22 percent, largely because of a substantial num-

Table 1.—*Number and percentage distribution of cases opened for public assistance and percentage change from preceding quarter, by type of assistance and reason for opening, April–June 1946*

Reason for opening	Total			Old-age assistance			Aid to the blind			Aid to dependent children			General assistance		
	Number	Percentage distribution	Percentage change from preceding quarter	Number	Percentage distribution	Percentage change from preceding quarter	Number	Percentage distribution	Percentage change from preceding quarter	Number	Percentage distribution	Percentage change from preceding quarter	Number	Percentage distribution	Percentage change from preceding quarter
Number of States reporting				[1] 29			[2] 28			[3] 30			15		
Total openings	97,715	100.0	−7.0	53,536	100.0	−1.7	1,443	100.0	+11.4	23,955	100.0	−4.8	18,781	100.0	−22.2
Transferred from general assistance	8,709	8.9	−16.5	4,249	7.9	−25.6	159	11.0	−3.0	4,301	18.0	−5.7			
Supplementation of another assistance payment	1,447	1.9	−15.2										1,447	7.7	−15.2
Net openings	87,559	100.0	−5.8	49,287	100.0	+1.1	1,284	100.0	+13.5	19,654	100.0	−4.6	17,334	100.0	−22.7
Material change in economic circumstances during last 6 months	75,548	86.3	−8.3	40,821	82.8	−1.7	959	74.7	+8.5	18,187	92.5	−5.4	15,581	89.9	−24.9
Discontinuance of unemployment benefits	2,143	2.4	−9.7	855	1.7	−1.5	24	1.9	(4)	386	2.0	−38.5	878	5.1	+2.6
Loss of employment or decreased earnings	35,813	40.9	−10.1	18,196	36.9	+5.0	458	35.7	+17.4	7,130	36.3	−2.3	10,029	57.9	−32.2
Illness or disablement	25,556	29.2	+2.9	14,185	28.8	+12.1	337	26.2	+19.9	4,973	25.3	+1.9	6,061	35.0	−13.7
Lay-off, discharge, or other reason	10,257	11.7	−31.5	4,011	8.1	−14.3	121	9.4	+11.0	2,157	11.0	−10.7	3,968	22.9	−49.0
Loss of wage earner by death or absence	7,431	8.5	+1.3	852	1.7	+6.6	27	2.1	(4)	5,174	26.3	+1.0	1,378	7.9	−1.6
Discontinuance of service-connected income	10,398	11.9	−26.4	7,166	14.5	−26.5	208	16.2	+3.0	2,291	11.7	−26.5	733	4.2	−30.7
Depletion of savings or capital assets	9,177	10.5	+7.3	7,352	14.9	+10.3	100	7.8	−1.0	754	3.8	+1.3	971	5.6	−6.9
Loss or decrease of contributions from relatives	5,457	6.2	+1.7	3,435	7.0	+5.3	53	4.1	(4)	1,257	6.4	−4.2	712	4.1	0
Other change in economic circumstances	5,129	5.9	+6.9	2,965	6.0	+4.3	89	6.9	(4)	1,195	6.1	+18.4	880	5.1	+.7
No material change in economic circumstances during last 6 months	12,011	13.7	+13.9	8,466	17.2	+16.9	325	25.3	+31.6	1,467	7.5	+7.1	1,753	10.1	+3.8
Change in law or agency policy	499	.6	−21.5	247	.5	−6.8	22	1.7	(4)	189	1.0	−36.4	41	.2	(4)
Attained technical eligibility	6,911	7.9	+16.5	6,236	12.7	+15.8	167	13.0	+24.6	357	1.8	+27.0	151	.9	+18.0
Other	4,601	5.3	+15.5	1,983	4.0	+24.6	136	10.6	(4)	921	4.7	+16.3	1,561	9.0	+3.0

[1] Excludes Iowa, which did not report the reason for opening for all cases accepted in the preceding quarter, and Delaware, Florida, Mississippi, and North Carolina, which did not report the reason for opening for cases transferred and not transferred from general assistance.

[2] Excludes Iowa, which did not report the reason for opening for all cases accepted in the preceding quarter, and Florida and Mississippi, which did not report the reason for opening for cases transferred and not transferred from general assistance.

[3] Excludes Iowa, which did not report the reason for opening for all cases accepted in the preceding quarter, and Florida, Mississippi, and North Carolina, which did not report the reason for opening for cases transferred and not transferred from general assistance.

[4] Not computed; base less than 100.

Table 2.—*Public assistance in the United States, by month, October 1945–October 1946*[1]

Year and month	Total	Old-age assistance	Aid to dependent children: Families	Aid to dependent children: Children	Aid to the blind	General assistance	Total	Old-age assistance	Aid to dependent children: Families	Aid to dependent children: Children	Aid to the blind	General assistance
	Number of recipients						Percentage change from previous month					
1945												
October	----------	2,039,661	263,003	669,317	70,699	239,000	----------	+0.3	+1.7	+1.7	+0.1	+3.2
November	----------	2,047,405	268,213	683,899	70,886	242,000	----------	+.4	+2.0	+2.2	+.3	+1.3
December	----------	2,055,859	274,301	701,251	71,454	256,000	----------	+.4	+2.3	+2.5	+.8	+5.5
1946												
January	----------	2,059,344	279,892	716,700	71,655	276,000	----------	+.2	+2.0	+2.2	+.3	+7.6
February	----------	2,062,672	286,245	733,670	72,041	295,000	----------	+.2	+2.3	+2.4	+.5	+6.7
March	----------	2,071,092	292,741	751,839	72,352	303,000	----------	+.4	+2.3	+2.5	+.5	+2.8
April	----------	2,088,031	300,938	772,570	72,739	292,000	----------	+.8	+2.8	+2.8	+.5	−3.6
May	----------	2,098,977	307,069	786,712	73,427	283,000	----------	+.5	+2.0	+1.8	+.9	−3.2
June	----------	2,108,216	311,294	799,414	73,980	278,000	----------	+.4	+1.4	+1.6	+.8	−1.6
July	----------	2,116,505	314,516	806,558	74,406	279,000	----------	+.4	+1.0	+.9	+.6	+.3
August	----------	2,126,635	318,571	816,886	74,823	280,000	----------	+.5	+1.3	+1.3	+.6	+.4
September	----------	2,134,585	323,360	829,309	75,253	282,000	----------	+.4	+1.5	+1.5	+.6	+.7
October	----------	2,155,890	329,691	844,589	75,732	290,000	----------	+1.0	+2.0	+1.8	+.6	+2.8
	Amount of assistance						Percentage change from previous month					
1945												
October	$85,193,100	$62,137,738	$13,171,371		$2,344,991	$7,539,000	+2.3	+1.2	+4.1		+1.8	+9.4
November	86,658,834	62,828,837	13,772,103		2,363,894	7,694,000	+1.7	+1.1	+4.6		+.8	+2.1
December	88,557,991	63,489,317	14,278,439		2,395,235	8,395,000	+2.2	+1.1	+3.7		+1.3	+9.1
1946												
January	90,358,194	63,963,660	14,728,554		2,402,980	9,263,000	+2.0	+.7	+3.2		+.3	+10.3
February	92,070,887	64,419,356	15,273,581		2,426,950	9,951,000	+1.9	+.7	+3.7		+1.0	+7.4
March	93,616,319	64,877,555	15,772,377		2,443,387	10,523,000	+1.7	+.7	+3.3		+.7	+5.7
April	93,568,365	65,445,101	16,195,125		2,463,139	9,465,000	−.1	+.9	+2.7		+.8	−10.1
May	94,247,612	65,877,228	16,475,590		2,491,794	9,403,000	+.7	+.7	+1.7		+1.2	−.7
June	94,691,786	66,363,812	16,717,447		2,518,527	9,092,000	+.5	+.7	+1.5		+1.1	−3.3
July	95,779,264	66,985,744	16,862,803		2,541,717	9,389,000	+1.2	+.9	+.9		+.9	+3.3
August	97,110,506	67,663,188	17,225,179		2,567,139	9,655,000	+1.4	+1.0	+2.1		+1.0	+2.8
September	98,953,449	68,634,794	17,918,209		2,604,446	9,796,000	+1.9	+1.4	+4.0		+1.5	+1.5
October	107,500,372	74,219,288	19,731,668		2,715,416	10,834,000	+8.6	+8.1	+10.1		+4.3	+10.6

[1] Partly estimated and subject to revision. Excludes programs administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act.

Table 3.—*Old-age assistance: Recipients and payments to recipients, by State, October 1946*[1]

State	Number of recipients	Payments to recipients: Total amount	Payments to recipients: Average	Percentage change from September 1946 in— Number	September 1946 in— Amount	October 1945 in— Number	October 1945 in— Amount
Total	2,155,890	$74,219,288	$34.43	+1.0	+8.1	+5.7	+19.4
Ala.	41,768	793,477	19.00	+5.6	+9.1	+24.9	+53.3
Alaska	1,371	57,930	42.25	−.3	+3.0	+2.8	+14.9
Ariz.	9,941	491,753	49.47	+1.0	+28.7	+4.9	+34.3
Ark.	28,928	501,217	17.33	(2)	+.4	+11.1	+16.7
Calif.	164,485	8,542,543	51.94	+.4	+9.2	+3.9	+13.9
Colo.	40,845	1,695,218	41.50	+.7	+.6	+1.7	+1.9
Conn.	14,821	627,762	42.36	+.9	+.3	+5.7	+13.2
Del.	1,178	23,375	19.84	−1.3	−.4	−5.2	+10.4
D. C.	2,263	87,799	38.80	+.8	+2.0	−4.4	+.5
Fla.	48,031	1,709,139	35.58	+.7	+15.4	+14.7	+39.2
Ga.	72,237	1,018,738	14.10	+1.9	+6.2	+8.0	+30.1
Hawaii	1,529	40,283	26.35	+.7	+1.9	+6.3	+17.7
Idaho	10,169	420,820	41.38	+.6	+8.8	+5.3	+35.3
Ill.	125,166	4,665,556	37.27	+.2	+4.1	+3.1	+17.0
Ind.	55,582	1,499,534	26.98	+.5	+1.0	+2.5	+6.6
Iowa	48,393	1,687,348	34.87	+.1	+.8	−.9	+6.7
Kans.	30,764	993,904	32.31	+2.0	+4.8	+9.4	+18.5
Ky.	43,457	741,780	17.07	+.7	+42.9	−6.2	+38.3
La.	43,254	1,028,295	23.77	+10.7	+14.2	+20.8	+22.8
Maine	15,154	474,923	31.34	+.6	+1.2	+2.2	+6.9
Md.	11,658	344,623	29.56	+.4	+3.6	+1.1	+5.7
Mass.	81,814	3,981,583	48.67	+.9	+3.5	+8.9	+21.8
Mich.	90,557	3,237,760	35.75	+.6	+5.0	+6.4	+17.9
Minn.	54,121	1,877,508	34.69	(2)	+.2	−.3	+8.3
Miss.	31,762	536,685	16.90	+8.3	+8.9	+18.0	+25.4
Mo.	107,557	$3,655,838	$33.99	+0.7	+16.0	+6.9	+44.2
Mont.	10,596	383,758	36.22	−.2	+10.4	−.6	+13.2
Nebr.	24,611	894,238	36.33	+.4	+7.2	+3.1	+26.7
Nev.	1,940	81,729	42.13	−.2	+7.9	+.5	+9.9
N. H.	6,617	224,160	33.88	−.2	+1.1	+1.4	+13.7
N. J.	22,934	884,513	38.57	(2)	+13.3	−1.4	+17.3
N. Mex.	7,146	228,908	32.03	+1.5	+4.0	+18.3	+22.3
N. Y.	105,040	4,467,287	42.53	+.6	+3.8	+1.7	+14.9
N. C.	34,466	496,973	14.42	+2.9	+5.4	+5.1	+15.5
N. Dak.	8,801	327,394	37.20	+.3	+3.9	+1.9	+12.1
Ohio	118,098	4,022,114	34.06	+.2	+4.7	+1.1	+12.7
Okla.	89,053	3,752,955	42.14	+.5	+18.6	+10.7	+32.8
Oreg.	21,482	947,055	44.09	+.5	+10.3	+6.0	+22.9
Pa.	88,421	3,010,883	34.05	+.8	+9.5	+6.5	+18.0
R. I.	7,875	282,684	35.90	+1.3	+1.9	+7.4	+12.4
S. C.	25,047	519,319	20.73	+1.7	+27.6	+15.1	+51.4
S. Dak.	12,691	353,120	27.82	+.1	+.6	+.6	+6.9
Tenn.	39,354	807,614	20.52	+1.0	+26.4	+4.1	+33.0
Tex.	186,178	5,126,606	27.54	+.5	+17.3	+8.4	+24.1
Utah	12,849	544,155	42.35	+.1	+7.8	+.5	+9.5
Vt.	5,399	149,328	27.66	+2.8	+15.9	+3.5	+23.4
Va.	14,895	242,672	16.29	+.4	+2.9	(2)	+11.4
Wash.	66,012	3,600,355	54.54	+.4	+1.6	+6.6	+16.5
W. Va.	19,406	378,939	19.53	+.5	+17.2	+5.7	+32.6
Wis.	46,596	1,582,904	33.97	+.3	+6.4	+3.6	+18.5
Wyo.	3,578	174,234	48.70	+.5	+17.1	+5.5	+41.4

[1] For definitions of terms see the *Bulletin*, July 1945, pp. 27–28. All data subject to revision.

[2] Decrease of less than 0.05 percent.

ber of such openings for aid to dependent children in one State in the first quarter.

Program Operations

The amendments to the Social Security Act which increased the extent of Federal participation in payments of old-age assistance, aid to the blind, and aid to dependent children became effective in October. Between August 10, when the amendments were passed, and October 1, most States had taken steps to increase assistance to persons already on the rolls or to aid other eligible people.

In some States, considerable administrative and even legislative effort was required to make the additional money quickly available in accordance with the need of recipients. In Kentucky, for example, increases in payments were completed in October for a large proportion of the case load through overtime work by most of the State office staff for nearly 2 months. In some States, changes will become effective in a later month or will be applied gradually over several months. Some States have postponed changes until the State laws are amended; several others have needed no changes to conform to the amendments because existing procedures already provided

Table 4.—*Aid to dependent children: Recipients and payments to recipients, by State, October 1946* [1]

State	Number of recipients		Payments to recipients		Percentage change from—					
					September 1946 in—			October 1945 in—		
					Number of—		Amount	Number of—		Amount
	Families	Children	Total amount	Average per family	Families	Children		Families	Children	
Total	329,691	844,589	$19,731,668	$59.85	+2.0	+1.8	+10.1	+25.4	+26.2	+49.8
Total, 50 States [2]	329,645	844,490	19,730,162	59.85	+2.0	+1.8	+10.1	+25.4	+26.2	+49.8
Alabama	7,127	19,824	227,282	31.89	+3.0	+2.9	+14.3	+31.3	+32.0	+61.7
Alaska	154	390	7,359	47.79	+3.4	−2.7	+2.4	(3)	(3)	(3)
Arizona	1,802	5,221	92,689	51.44	−2.3	−1.4	+25.6	+27.7	+28.1	+65.4
Arkansas	4,833	13,070	139,163	28.79	−.7	−.4	−.2	+19.6	+22.5	+32.7
California	8,461	21,147	785,886	92.88	+1.8	+1.6	+2.7	+29.7	+28.3	+43.1
Colorado	3,778	10,330	247,582	65.53	+1.3	+1.3	+4.8	+20.1	+19.4	+34.6
Connecticut	2,762	6,892	261,043	94.51	+.1	+.2	+.5	+30.4	+29.7	+48.5
Delaware	257	740	23,637	91.97	−.4	−.4	+3.7	−6.5	−5.7	+11.9
District of Columbia	947	2,961	69,281	73.16	+5.1	+4.0	+5.1	+49.4	+49.1	+54.1
Florida	7,254	17,947	255,628	35.24	+2.1	+2.2	+4.3	+19.7	+18.9	+24.5
Georgia	5,292	13,589	164,575	31.10	+4.5	+4.8	+15.9	+33.3	+36.3	+63.9
Hawaii	691	2,168	53,541	77.48	+2.2	+1.5	+1.2	+35.5	+39.2	+61.5
Idaho	1,511	3,949	117,645	77.86	+.1	−1.2	+4.4	+28.2	+25.6	+82.0
Illinois	21,827	53,755	1,651,701	75.67	+1.2	+1.3	+1.8	+10.6	+13.0	+60.9
Indiana	6,946	16,940	268,812	38.70	+.7	+.9	+.9	+18.6	+22.9	+24.4
Iowa	3,696	9,427	124,877	33.79	+.8	+1.0	+1.0	+20.3	+21.7	+26.4
Kansas	3,835	9,798	236,228	61.60	+3.0	+2.5	+6.1	+34.9	+35.1	+59.5
Kentucky	6,236	16,178	264,220	42.37	+4.3	+3.6	+50.9	+26.6	+22.9	+149.1
Louisiana	9,894	25,721	451,967	45.68	+1.1	+.1	+18.7	+14.4	+15.0	+30.8
Maine	1,661	4,765	126,242	76.00	+2.0	+2.3	+3.6	+23.3	+24.1	+38.7
Maryland	4,102	11,702	189,484	46.19	+2.4	+1.9	+26.3	+34.3	+34.2	+63.8
Massachusetts	8,314	20,616	735,868	88.51	(4)	−.2	+4.7	+15.2	+15.2	+23.4
Michigan	17,315	41,530	1,352,403	78.11	+.6	+.5	+13.9	+31.9	+30.7	+53.0
Minnesota	5,259	13,472	288,167	54.80	+.5	+1.0	+1.4	+15.8	+17.0	+25.2
Mississippi	3,970	10,435	104,200	26.25	+8.1	+8.4	+8.2	+33.2	+34.2	+33.7
Missouri	16,212	42,525	602,905	37.19	+3.0	+2.6	+31.4	+41.5	+41.7	+49.2
Montana	1,451	3,887	87,551	60.34	+1.5	+1.9	+11.9	+16.2	+21.7	+43.5
Nebraska	2,746	6,551	208,911	76.08	+1.3	+1.6	+3.3	+32.1	+33.3	+91.8
Nevada	*46*	*99*	*1,506*	(3)	(3)	(3)	(3)	(3)	(3)	(3)
New Hampshire	955	2,458	72,933	76.37	+1.2	+1.4	+3.5	+20.3	+22.1	+31.9
New Jersey	3,708	9,409	247,852	66.84	+1.8	+2.2	+2.5	+15.5	+16.0	+25.0
New Mexico	2,982	7,836	131,208	44.00	+1.5	+1.4	+21.9	+15.4	+14.6	+35.2
New York	31,285	75,158	2,836,043	90.65	+3.6	+3.2	+2.5	+40.0	+40.1	+56.7
North Carolina	6,635	18,447	192,090	28.95	+2.6	+2.9	+5.6	+10.0	+17.3	+23.1
North Dakota	1,491	4,123	100,838	67.63	+.2	−.5	+8.6	+9.0	+9.0	+31.0
Ohio	8,413	22,980	549,959	65.37	+.6	−.1	+11.4	+13.7	+13.8	+30.0
Oklahoma	22,010	53,506	998,271	45.36	+2.7	+2.2	+32.8	+41.1	+41.6	+83.6
Oregon	1,524	3,839	145,885	95.73	+1.9	+1.8	+12.9	+24.2	+28.2	+47.1
Pennsylvania	34,122	88,288	2,500,385	73.28	+2.8	+3.0	+13.3	+43.5	+40.1	+60.9
Rhode Island	1,902	4,777	132,270	69.54	+3.4	+2.7	+3.5	+37.9	+35.8	+42.7
South Carolina	4,565	13,196	123,233	27.00	+1.1	+.2	+25.6	+20.9	+19.5	+43.3
South Dakota	1,783	4,411	78,438	43.99	+1.5	+1.3	+1.5	+23.0	+24.4	+42.4
Tennessee	12,082	32,129	424,058	35.10	+1.1	+1.3	+20.6	+9.2	+10.4	+25.9
Texas	10,476	25,987	290,237	27.70	+1.5	+1.8	+21.4	−4.7	+7.7	+26.8
Utah	2,146	5,777	193,914	90.36	+.3	+.5	+17.9	+19.1	+18.9	+45.7
Vermont	621	1,664	26,180	42.16	+.2	−.4	+16.0	+9.1	+12.7	+32.4
Virginia	3,768	10,859	132,340	35.12	+1.0	+.9	+4.2	+8.2	+10.3	+17.2
Washington	5,751	14,056	584,354	101.61	+3.0	+3.0	+5.5	+52.3	+49.1	+63.2
West Virginia	8,296	23,110	319,180	38.47	+.5	+.6	+27.6	+17.1	+16.6	+60.2
Wisconsin	6,456	15,998	482,440	74.73	+1.0	+1.1	+8.5	+17.6	+20.7	+48.6
Wyoming	341	952	29,207	85.65	+1.8	+1.0	+21.2	+25.4	+25.3	+82.0

[1] For definitions of terms see the *Bulletin*, July 1945, pp. 27–28. Figures in italics represent program administered without Federal participation. Data exclude programs administered without Federal participation in Florida, Kentucky, and Nebraska, which administer such programs concurrently with programs under the Social Security Act. All data subject to revision.

[2] Under plans approved by the Social Security Administration.

[3] Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

[4] Decrease of less than 0.05 percent.

for adjusting payments to cost-of-living changes and permitted them to benefit from the increased Federal participation. The latter States did not have maximums on payments and were already making payments higher than the amounts of the new maximums for Federal participation.

Increase in the amount of money

Table 5.—*General assistance: Cases and payments to cases, by State, October 1946*[1]

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	September 1946 in—		October 1945 in—	
				Number	Amount	Number	Amount
Total[2]	290,000	$10,834,000	$37.33	+2.8	+10.6	+21.3	+43.7
Ala	4,424	69,346	15.67	+3.0	+7.1	+28.6	+42.0
Alaska	164	4,322	26.35	+11.6	+2.4	+19.7	−15.7
Ariz	2,247	60,356	26.86	+1.6	−.3	+17.5	+3.0
Ark.[3]	2,691	32,335	12.02	+.4	+.3	+3.1	+2.8
Calif	18,455	876,713	47.51	+2.6	+4.9	+46.2	+76.7
Colo	3,598	125,505	34.88	−.7	+1.4	+19.9	+33.6
Conn	[4] 2,872	[4] 114,102	39.73	+3.0	+10.7	+9.9	+22.6
Del	502	17,478	34.82	+9.1	+11.2	+45.9	+96.2
D. C	907	41,122	45.34	+4.5	+4.6	+25.8	+35.2
Fla	[5] 4,000	[5] 58,000					
Ga	2,721	37,877	13.92	+.6	+6.1	+8.6	+21.1
Hawaii	751	29,042	38.67	+6.1	+3.6	+34.1	+61.8
Idaho[6]	518	13,709	26.47	+2.4	+7.3	+5.9	+26.2
Ill	20,299	864,510	42.59	+2.1	+9.6	−10.5	+11.4
Ind.[7]	9,065	235,920	26.03	+.6	+13.4	+39.7	+61.1
Iowa	4,084	97,301	23.82	+4.2	+11.8	+9.3	+25.1
Kans	3,875	136,809	35.31	+1.8	+3.0	+19.7	+38.7
Ky	[5] 2,300	[5] 34,000					
La	7,830	167,445	21.39	+.2	−5.2	+8.3	+9.9
Maine	1,945	72,329	37.19	0	−1.6	+5.1	+21.9
Md	6,844	226,556	33.10	−2.4	−2.7	+27.6	+21.6
Mass	13,320	519,110	38.97	+2.1	+13.6	+6.6	+17.9
Mich	18,090	798,974	44.17	+4.8	+29.1	+40.5	+51.6
Minn	5,351	196,614	36.74	+2.4	+10.4	+11.5	+35.3
Miss	[5] 400	[5] 4,000					
Mo.[8]	10,789	336,922	31.23	+3.5	+3.0	+34.3	+87.8
Mont	1,128	29,647	26.28	+3.6	+5.2	+16.6	+19.0
Nebr	1,747	42,256	24.19	−2.7	−2.7	+1.6	+8.4
Nev	297	5,568	18.75	+28.6	+44.0	+42.1	+13.5
N. H	1,008	30,603	30.36	−.3	+7.0	−5.7	+.5
N. J.[7]	4,868	204,987	42.11	+.3	+7.0	+5.0	+26.9
N. Mex.[8]	1,491	29,574	19.84	+2.9	+15.7	+31.8	+71.0
N. Y	[9] 41,344	2,317,645	56.06	+4.1	+7.9	+21.7	+41.6
N. C	2,685	35,799	13.33	−.5	+2.1	+7.3	+19.5
N. Dak	673	19,866	29.52	+3.2	+11.4	+16.8	+36.4
Ohio	16,036	628,054	39.17	+1.0	+5.7	+38.6	+81.2
Okla	[10] 5,300	60,177	(10)	(10)	+5.4	(10)	+43.7
Oreg	4,856	251,224	51.73	+9.4	+7.9	+39.2	+57.5
Pa	28,286	1,056,390	37.35	+5.0	+33.4	+39.6	+88.0
R. I	2,180	87,567	40.17	+4.6	+7.7	+9.9	+23.5
S. C	3,983	46,346	11.64	+1.9	+1.8	+32.9	+13.6
S. Dak	733	16,950	23.12	+5.5	+7.3	+12.8	+10.3
Tenn	[5] 1,300	[5] 13,000					
Tex	[5] 3,100	[5] 51,000					
Utah	1,610	79,311	49.26	+.8	+14.3	+19.1	+39.5
Vt	711	18,506	26.03	−.7	(11)	−1.1	+16.3
Va	2,993	51,544	17.22	−3.6	−2.3	+.8	+4.9
Wash	8,583	456,026	53.13	+5.5	+7.8	+48.4	+58.7
W. Va	4,486	61,081	13.62	−.1	+4.7	+15.9	+34.0
Wis	4,386	171,893	39.19	+1.2	+13.4	−5.5	+38.4
Wyo	404	16,427	40.66	+14.1	+21.5	+31.2	+67.7

[1] For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.
[2] Partly estimated; does not represent sum of State figures because total excludes payments for, and an estimated number of cases receiving, medical care, hospitalization, and burial only in Indiana and New Jersey.
[3] State program only; excludes program administered by local officials.
[4] Based on actual reports including an estimated 94 percent of cases and 93 percent of payments.
[5] Estimated.
[6] Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents about 60 percent of total.
[7] Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.
[8] Excludes a few cases and small amount of local funds not administered by State agency.
[9] Includes cases receiving medical care only.
[10] Excludes estimated duplication between programs; 2,142 cases were aided by county commissioners and 3,689 cases under program administered by State Board of Public Welfare. Average per case and percentage change in number of cases not computed.
[11] Increase of less than 0.05 percent.

Table 6.—*Aid to the blind: Recipients and payments to recipients, by State, October 1946*[1]

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	September 1946 in—		October 1945 in—	
				Number	Amount	Number	Amount
Total	75,732	$2,715,416	$35.86	+0.6	+4.3	+7.1	+15.8
Total, 47 States[2]	59,066	2,080,778	35.23	+.7	+5.4	+7.4	+19.0
Ala	901	18,007	19.99	+2.9	+9.8	+16.0	+43.4
Ariz	569	33,294	58.51	+1.2	+25.2	+25.9	+58.7
Ark	1,279	24,666	19.29	+.9	+1.2	+10.7	+15.8
Calif	6,162	357,156	59.96	+.4	+.5	+15.0	+15.0
Colo	441	16,243	36.83	−1.3	−1.2	−2.4	−1.8
Conn	142	5,296	37.30	+2.9	−7.3	+9.2	+7.1
Del	72	2,092	29.06	(3)	(3)	(4)	(4)
D. C	203	8,649	42.61	+2.0	+4.7	+3.0	+7.7
Fla	2,485	91,216	36.71	+.7	+14.5	+7.7	+30.3
Ga	2,134	36,266	16.99	+1.0	+5.7	+4.9	+23.7
Hawaii	65	2,167	33.34	(3)	(3)	(3)	(3)
Idaho	196	8,986	45.85	−.5	+7.8	−2.5	+32.8
Ill	4,930	182,886	37.10	−.4	+1.3	−3.1	+4.7
Ind	1,934	57,822	29.90	0	+.5	−.9	+.5
Iowa	1,224	49,867	40.74	−.6	+1.0	+.3	+13.5
Kans	1,094	39,215	35.85	−.2	+3.0	+5.7	+17.7
Ky	1,568	28,237	18.01	+.7	+35.9	+.4	+38.6
La	1,409	40,808	28.96	+.5	+10.7	+4.5	+12.5
Maine	769	24,854	32.32	+.7	+2.0	−4.1	−.2
Md	462	15,141	32.77	0	+2.4	+6.0	+10.1
Mass	1,120	53,947	48.17	+1.0	+1.9	+14.2	+21.4
Mich	1,344	50,473	37.55	+.3	+3.4	+7.3	+13.7
Minn	937	38,452	41.04	+.3	−.4	−.5	+6.5
Miss	1,768	41,288	23.35	+2.1	+2.6	+20.4	+26.1
Mo	[5] *2,900*	[5] *87,000*	[6] *30.00*				
Mont	372	14,431	38.79	+1.6	+10.2	+14.1	+26.9
Nebr	448	16,494	36.82	+.7	+7.4	+2.5	+24.9
Nev	*27*	*1,117*	(3)	(3)	(3)	(3)	(3)
N. H	288	10,216	35.47	0	+2.6	+5.1	+21.5
N. J	565	22,973	40.66	0	+11.5	+7.8	+27.9
N. Mex	258	9,338	36.19	+2.4	+8.3	+7.1	+34.0
N. Y	3,154	150,816	47.82	+.7	+4.5	+6.4	+22.0
N. C	2,667	56,561	21.21	+1.4	+3.6	+11.3	+21.9
N. Dak	116	4,174	35.98	−4.1	−1.6	+7.4	+15.8
Ohio	3,105	98,592	31.75	+.6	+8.2	+2.5	+18.2
Okla	2,129	91,370	42.92	+1.5	+18.4	+13.4	+34.0
Oreg	378	19,693	52.10	+.8	+8.1	0	+10.2
Pa	*13,739*	*546,521*	*39.78*	*+.4*	*+.6*	*+7.5*	*+7.4*
R. I	122	4,506	36.93	+5.2	+5.6	+16.2	+35.4
S. C	1,086	25,137	23.15	+1.3	+16.3	+13.5	+27.7
S. Dak	214	5,302	24.78	+.5	+1.1	+1.4	+6.7
Tenn	1,617	37,198	23.00	+.7	+15.0	+5.2	+22.0
Tex	5,044	144,702	28.69	+.5	+6.0	+17.3	+38.6
Utah	145	6,872	47.39	−1.4	+8.3	+13.3	+33.2
Vt	175	5,765	32.94	+9.4	+12.7	+4.8	+12.4
Va	1,044	21,360	20.46	+3.0	+4.8	+9.7	+19.9
Wash	641	39,231	61.20	+1.9	+2.4	+9.9	+23.3
W. Va	858	18,511	21.57	+.5	+13.8	+7.0	+27.1
Wis	1,323	45,049	34.05	0	+5.1	−3.1	+10.1
Wyo	109	5,459	50.08	0	+16.1	−6.8	+19.1

[1] For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent programs administered without Federal participation. Data exclude program administered without Federal participation in Connecticut, which administers such program concurrently with program under the Social Security Act. Alaska does not administer aid to the blind. All data subject to revision.
[2] Under plans approved by the Social Security Administration.
[3] Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.
[4] Payments under approved plan first made in November 1945.
[5] Estimated.
[6] Represents statutory monthly pension of $30 per recipient; excludes payments for other than a month.

provided for one or more of the consumption items included in State standards of assistance was the most general of the policy changes affecting payments. Increases in the maximum payments prescribed by States were also frequent; otherwise, it would have been impossible for the States to make higher standards effective for many recipients or fully to benefit from the increased Federal funds. As a result of higher Federal participation, some of the poorer States which formerly could not meet 100 percent of need under their standards have been able to discontinue general reductions in payments from these standards. A few States, however, still find it necessary to make such reductions, especially in aid to dependent children, though they have raised the percentage of need met.

In States spending as much per recipient from their own funds as before the amendments, the increased Federal funds will finance a $5 rise in average payments for aged and blind recipients to whom Federal matching provisions apply, and a rise of $3 per child in the average payment for aid to dependent children. Average payments of old-age assistance increased even more than $5 in 4 States—Arizona, Kentucky, Oklahoma, and Wyoming. Averages for aid to the blind were higher by $6 or more in Arizona, Oklahoma, and Wyoming. For aid to dependent children, the averages increased more than $3 per child in all the States mentioned above and also in Maryland, Michigan, Missouri, Oregon, and Utah. Increases of $1 to $5 per aged and blind recipient occurred in about half the States; payments of aid to dependent children increased from $1 to $3 per child in 18 States.

The monthly increase in number of recipients was larger than in recent months but did not exceed 2 percent for any of the special types of assistance. Illusory increases in the old-age assistance rolls occurred in some States which previously had permitted joint payments to husbands and wives, both eligible for assistance, but had reported only one recipient in such cases. Because, under the amendments, this practice would lower the amount of Federal participation, most of these States reduced the number of such joint payments in October. This change was chiefly responsible for the increase of nearly 11 percent in the number of aged recipients in Louisiana. The additions to the number of recipients resulting from separate payments to each eligible person concealed some of the increase in payments that occurred in these States.

In a few States, more State or Federal funds permitted making payments to eligible persons who had been waiting for assistance. Mississippi has increased its case loads for old-age assistance and aid to dependent children more than 15 percent since June; the increase from September to October was nearly three-fifths of the total rise.

For the United States as a whole the percentage rise in the number of recipients of aid to dependent children, in terms of both families and children, continued to be larger than in old-age assistance and aid to the blind. Chiefly because of the larger increase in number of recipients, total monthly expenditures for assistance increased most in aid to dependent children—10 percent—as compared with 8 percent for old-age assistance and about 4 percent for aid to the blind.

General assistance case loads rose in October for the fourth consecutive month, but more sharply—2.8 percent—than in any month since March. Four out of five reporting States aided more cases than in September. The average payment rose $2.59 per case, or about $1.30 per person—a somewhat smaller increase than occurred in payments for the special types of assistance. Average payments in Michigan and Pennsylvania rose about $8 per case. Although the Federal Government does not participate in general assistance, some States have uniform standards for all types of assistance. In such States, liberalization of standards for the special types also resulted in a rise in general assistance payments.

Social and Economic Data

Social Security and Other Income Payments

All Income Payments to Individuals

The upward trend in total income payments from March to August was resumed in October after a slump in the intervening month. The October total—$14.3 billion—was at a record annual rate of $172 billion, while the aggregate for the first 10 months of 1946—$135.6 billion—exceeded the January–October 1945 level by $1.3 billion (table 2). This gain resulted primarily from a $3 billion increase in social insurance and related payments and a similar rise in entrepreneurial income, net rents, and royalties, mostly offset by a $5 billion drop in compensation of employees. The decline in wages and salaries was marked by a sharp drop in noncovered pay rolls, particularly in government salaries, which fell $10 billion below the amount for the first 10 months of 1945; the decline for the noncovered group was offset to some extent by a $3 billion increase in covered pay rolls.

The level of income payments in October was 11 percent above that a year earlier and was supported by gains in all segments except military and subsistence allowances, which fell off by one-third. Social insurance and related payments, though they had declined each month since June, were more than half again as great as in October 1945, while relief payments and entrepreneurial income, net rents, and royalties increased by one-fourth and one-third, respectively. The proportion of the total attributable to compensation of employees fell from 68 percent in October 1945 to 64 percent this October; disbursements under social insurance and related programs, on the other hand, accounted for 3.5 percent of the total this October and 2.5 percent of all income payments a year earlier.

Social Insurance and Related Payments

Disbursements under the selected programs, declining in October for the third successive month, totaled $402.8 million—5 percent less than in September but 53 percent more than the amount a year earlier (table 1).

Table 1.—*Selected social insurance and related programs, by specified period, 1940–46*

[In thousands; data corrected to Dec. 6, 1946]

Year and month	Total	Retirement, disability, and survivor programs: Monthly retirement and disability benefits [1]: Social Security Act [2]	Railroad Retirement Act [3]	Civil Service Commission [4]	Veterans Administration [5]	Survivor benefits: Monthly: Social Security Act [6]	Railroad Retirement Act [3]	Veterans Administration [7]	Survivor benefits: Lump-sum [8]: Social Security Act	Railroad Retirement Act [3]	Civil Service Commission [4]	Veterans Administration [9]	Rhode Island sickness compensation [10]	Unemployment insurance programs: State unemployment insurance laws [10]	Servicemen's Readjustment Act [11]	Railroad Unemployment Insurance Act [12]	Readjustment allowances to self-employed veterans [13]
	Number of beneficiaries																
1945																	
October	....	644.2	170.5	90.9	1,389.8	573.8	4.4	656.1	17.1	1.5	1.7	5.0	4.9	1,271.7	122.9	5.8	12.6
November	....	669.1	171.8	91.7	1,464.8	586.7	4.4	680.2	12.8	1.4	1.3	4.1	4.5	1,313.4	217.7	9.3	13.5
Dec mber	....	690.9	172.9	92.5	1,533.6	597.3	4.4	697.5	13.2	1.3	.7	3.8	4.4	1,318.9	405.0	12.7	21.1
1946																	
January	....	716.7	174.2	93.7	1,620.7	607.8	4.4	725.0	17.8	1.8	2.6	4.5	4.4	1,634.0	695.5	21.9	44.0
February	....	743.9	175.7	94.5	1,714.5	618.6	4.5	736.9	15.0	1.5	1.7	4.0	4.5	1,621.0	1,071.1	40.3	63.2
March	....	773.3	177.4	95.7	1,866.5	630.4	4.5	751.0	15.9	1.8	1.5	5.3	4.7	1,591.8	1,507.2	51.0	141.9
April	....	799.1	178.6	96.8	1,984.7	641.9	4.5	766.0	17.0	2.0	1.5	4.6	5.3	1,402.4	1,626.1	51.7	233.0
May	....	821.4	179.8	98.0	2,069.0	652.7	4.5	783.3	17.3	1.7	2.1	[14] 5.1	7.6	1,314.9	1,742.7	66.7	279.2
June	....	840.7	180.6	99.1	2,130.4	661.4	4.5	789.8	16.2	1.7	2.7	[14] 5.1	7.4	1,174.1	1,781.5	74.9	261.8
July	....	860.5	181.6	100.5	2,179.7	667.4	4.5	790.0	15.1	1.7	2.6	[14] 4.2	6.6	1,068.7	1,724.3	42.6	326.8
August	....	880.4	182.5	101.6	2,203.1	673.5	4.5	804.7	15.6	1.7	2.2	[14] 5.3	5.8	975.4	1,669.2	49.1	332.5
September	....	896.3	183.4	102.7	2,237.2	682.8	4.5	817.4	12.9	1.4	1.7	[14] 5.2	4.8	839.0	1,476.3	51.8	249.9
October	....	912.7	184.2	103.9	2,262.6	693.7	4.5	830.1	16.6	1.4	2.1	[14] 6.2	4.7	764.0	1,097.5	57.4	222.8
	Amount of benefits [15]																
1940	$1,188,702	$21,074	$114,166	$62,019	$317,851	$7,784	$1,448	$105,696	$11,736	$2,497	$5,810	$3,960	....	$518,700	....	$15,961	....
1941	1,085,488	55,141	119,912	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352	....	344,321	....	14,537	....
1942	1,130,721	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120	....	344,084	....	6,268	....
1943	921,413	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	$2,857	79,593	....	917	....
1944	1,119,684	119,009	129,707	78,081	456,279	76,942	1,765	144,302	22,146	6,591	7,863	4,784	5,035	62,385	$4,113	582	$102
1945	2,067,434	157,391	137,140	85,742	697,830	104,231	1,772	254,238	26,135	8,138	10,244	5,049	4,669	445,866	114,955	2,359	11,675
1945																	
October	263,582	13,709	11,630	7,337	69,602	8,705	148	25,511	2,432	658	835	532	355	106,449	14,088	337	1,254
November	277,992	14,260	11,757	7,377	71,174	8,905	147	24,292	1,809	588	700	437	329	108,555	25,770	553	1,338
December	302,050	14,736	11,864	7,440	76,722	9,065	149	26,845	1,857	578	366	356	317	106,625	42,244	777	2,111
1946																	
January	378,908	15,339	11,997	7,542	80,183	9,234	150	26,511	2,539	812	1,396	477	325	133,246	83,322	1,351	4,484
February	400,771	15,969	12,085	7,560	83,229	9,405	149	26,246	2,154	751	908	416	303	120,727	112,195	2,207	6,467
March	463,134	16,635	12,238	7,670	92,277	9,597	150	25,924	2,263	883	883	465	343	127,013	148,956	3,210	14,627
April	475,555	17,200	12,332	7,861	96,965	9,777	152	26,919	2,442	883	942	[14] 463	385	110,672	160,071	3,175	25,315
May	472,458	17,690	12,388	7,970	99,344	9,943	149	27,025	2,461	797	1,250	[14] 527	551	103,889	155,175	4,238	29,060
June	452,835	18,122	12,419	7,987	98,554	10,089	152	25,986	2,335	792	1,473	[14] 492	533	92,982	148,841	4,414	27,663
July	462,840	18,577	12,561	8,020	[14] 103,000	10,195	153	[14] 26,400	2,187	818	1,477	[14] 450	477	88,408	152,673	2,479	34,965
August	454,393	19,026	12,600	8,112	[14] 105,200	10,300	155	[14] 27,000	2,266	854	1,213	[14] 797	417	78,047	150,946	3,179	34,281
September	424,027	19,379	12,565	8,342	[14] 120,265	10,447	151	[14] 32,116	1,892	692	987	[14] 787	339	63,215	124,082	3,409	25,359
October	402,814	19,754	12,694	8,364	[14] 125,899	10,620	154	[14] 31,501	2,476	745	1,211	[14] 928	337	64,430	100,463	3,902	19,337

[1] Old-age retirement benefits under all acts, disability retirement benefits under the Railroad Retirement and the Civil Service Retirement Acts, and disability payments to veterans.

[2] Primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

[3] Age and disability annuitants and pensioners as of last day of month. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

[4] Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under the National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but also include payments from Canal Zone and Alaska Railroad retirement and disability funds administered by the Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service are not included but are summarized twice a year in the *Bulletin*.

[5] Veterans' pensions and compensation.

[6] Widow's, widow's current, parent's, and child's benefits. Partly estimated.

[7] Payments to widows, parents, and children of deceased veterans.

[8] Number of decedents on whose account lump-sum payments were made, and amount of such payments.

[9] Payments for burial of deceased veterans.

[10] Number represents average weekly number of beneficiaries. Annual amounts adjusted for voided benefit checks; monthly amounts not adjusted. State unemployment insurance data for October 1946 partly estimated.

[11] Readjustment allowances to unemployed veterans only. Number before May 1946 represents average weekly number of veterans paid unemployment allowances during weeks ended in the month; number beginning May 1946 represents average weekly number of continued claims during weeks ended in the month.

[12] Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. Annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures not adjusted.

[13] Number of veterans and amount paid during month under the Servicemen's Readjustment Act.

[14] Preliminary estimate by the Veterans Administration.

[15] Payments to individuals: annual and lump-sum payments (amounts certified, including retroactive payments) and monthly payments in current-payment status, under the Social Security Act; amounts certified under the Railroad Retirement Act (including retroactive payments) and the Railroad Unemployment Insurance Act; disbursements minus cancellations, under the Civil Service Commission and the Veterans Administration programs; checks issued by State agencies, under State unemployment insurance and Rhode Island sickness compensation programs and under the Servicemen's Readjustment Act.

Source: Based on reports of administrative agencies.

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In relation to all social insurance and related payments, as estimated by the Department of Commerce, the selected programs accounted for 80 percent of aggregate disbursements in October 1946, the same ratio as in October 1945.

The September to October decline in total disbursements resulted from a 20-percent drop in readjustment allowances to unemployed and self-employed veterans and smaller decreases in payments to survivors of veterans and in Rhode Island sickness benefits; increases in the other programs were not sufficient to offset the declines. State unemployment insurance benefits turned upward in October after declining in each of the preceding 6 months, but were 39 percent below the level a year earlier. Veterans' unemployment allowances, on the other hand, continued downward in October but were more than 7 times the October 1945 amount. Railroad unemployment insurance benefits were about $500,000 more than in September and 12 times the amount a year earlier.

Comparisons with October 1945 levels reveal increases in all programs, grouped by type of risk. Survivor benefits (including lump-sum payments) were 23 percent above the October 1945 total, while self-employment allowances to veterans were more than 15 times as great; disbursements under the retirement and disability programs were up 63 percent, and unemployment insurance benefits, 40 percent.

Risk	Amount (in thousands)		Percentage increase
	October 1946	October 1945	
Total	$402,814	$263,582	53
Retirement and disability	167,047	102,633	63
Survivor	47,635	38,821	23
Unemployment insurance	168,795	120,875	40
Self-employment allowances	19,337	1,254	1,442
	Percentage distribution		
Total	100.0	100.0	------
Retirement and disability	41.5	38.9	------
Survivor	11.8	14.7	------
Unemployment insurance	41.9	45.9	------
Self-employment allowances	4.8	.5	------

Grants for Child Welfare Services

Federal aid to the States for the three maternal and child health programs established under title V of the Social Security Act and administered by the Children's Bureau was increased by the 1946 amendments to the Social Security Act. The provisions of the title were extended to the Virgin Islands as of January 1, 1947; Puerto Rico was brought under the act on January 1, 1940.

The authorization of Federal grants for child welfare services was more than doubled—from $1.51 million a year to $3.50 million. Each State receives a uniform apportionment, or flat grant, of $20,000, instead of $10,000 as provided in the original act. The balance of the appropriation is, as before, to be divided among the States according to the ratio of the rural population of each State to the total rural population of the United States. Table 3 shows the annual apportionments which will be made under the 1946 amendments. The act specifies that these grants are to be used to pay part of the costs of the services. Plans are developed jointly by each State public welfare agency and the U. S. Children's Bureau for the provision of local child welfare services in areas predominantly rural and for developing State services for the encouragement and assistance of adequate methods of community child welfare organization and other areas of special need. Financial participation from State or local sources is therefore required for all services for which Federal funds are used.

Table 2.—*Income payments to individuals, by specified period, 1936–46* [1]

[In millions; data corrected to Dec. 5, 1946]

Year and month	Total [2]	Compensation of employees [3]	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments [6]	Military and subsistence allowances [7]
					Work relief [4]	Direct relief [5]		
1936	$68,024	$40,027	$13,003	$9,785	$2,155	$672	$955	----------
1937	72,365	44,689	14,162	9,891	1,639	836	1,020	----------
1938	66,135	40,845	12,369	8,233	2,094	1,008	1,529	----------
1939	70,793	43,870	13,441	8,891	1,870	1,071	1,616	----------
1940	76,210	48,218	14,313	9,175	1,578	1,097	1,801	----------
1941	92,710	60,262	18,599	9,761	1,213	1,112	1,744	----------
1942	117,311	79,970	23,933	9,771	586	1,061	1,844	$136
1943	143,089	101,813	27,161	10,389	57	940	1,703	1,020
1944	156,721	112,043	28,017	11,195	----------	942	1,970	2,548
1945	160,607	111,360	29,894	12,304	----------	990	2,925	2,949
1945								
October	12,952	8,792	2,428	1,060	----------	85	328	254
November	13,192	8,895	2,551	1,068	----------	87	355	232
December	13,102	8,838	2,537	1,073	----------	88	371	192
1946								
January	13,069	8,648	2,626	1,079	----------	90	458	165
February	12,969	8,481	2,690	1,084	----------	92	486	134
March	13,141	8,670	2,631	1,091	----------	94	540	113
April	13,234	8,739	2,609	1,098	----------	93	565	130
May	13,421	8,747	2,745	1,107	----------	94	575	152
June	13,486	8,839	2,717	1,127	----------	95	566	141
July	14,029	9,027	3,069	1,143	----------	96	558	135
August	14,111	9,164	3,004	1,153	----------	97	553	139
September	13,804	9,143	2,735	1,161	----------	99	530	135
October	14,337	9,139	3,253	1,169	----------	108	501	166

[1] Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

[2] Includes veterans' bonus; October payments were $1 million.

[3] Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, mustering-out pay, and, beginning September 1946, terminal-leave pay.

[4] Earnings of persons employed by NYA, WPA, and CCC.

[5] Payments to recipients under three special public assistance programs and general assistance, value of food stamps under food stamp plan, and farm subsistence payments.

[6] Payments of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment insurance, railroad unemployment insurance, veterans' pensions and compensation, and readjustment allowances to unemployed and self-employed veterans.

[7] Government portion of payments to dependents of members of the armed forces (portion deducted from military pay included under compensation of employees as part of military pay rolls) and subsistence allowances to veterans under the Servicemen's Readjustment Act of 1944.

Source: Department of Commerce, Office of Business Economics.

(Continued from page 33)

tions to those previously recommended by its subcommittee.[8] Since it was reported under its original number and not as a new bill, the effect of the petition was nullified. The bill was given an "open rule" by the Rules Committee, which meant that the House could first vote on the substitute bill of the Committee, and then, if it rejected the substitute, on the original Crosser bill.

The following were the most important changes made in H. R. 1362 by the House Committee on Interstate and Foreign Commerce:

1. It reduced the formula for computing survivor benefits to the level of the social security formula, eliminated the provision for combining social security with railroad earnings, eliminated the provision for paying benefits to the survivors of annuitants and pensioners who had no service after 1936 or not enough to build up an insured status, and deleted the benefits to the survivors of employees who died before the effective date of the amendments.

2. It limited the application of the proposed "occupational disability" annuities to cases in which disability arose out of, and in the course of, the railroad worker's employment.

3. It eliminated the proposals for increasing the amount and duration of unemployment insurance benefits and for adding sickness and maternity benefits.

4. It added another $1\frac{1}{2}$ percent to the $1\frac{1}{2}$-percent increase proposed to make up the existing retirement fund deficit in accordance with its own actuarial study. By weakening the proposals to liberalize the retirement and survivor benefits, it reduced the cost of the changes from $3\frac{1}{2}$ percent of pay roll to $1\frac{1}{2}$ percent. The net result, therefore, was to be a $4\frac{1}{2}$-percent, instead of a 5-percent, increase in the total tax rate. At the same time, the Committee changed the unemployment insurance contributions from 3 percent to amounts ranging from 0.5 percent, for so long as the trust fund contained at least $350 million, to 3 percent when it fell below $150 million. (The fund is now over $750 million.)

5. It transferred the tax-collection function for unemployment insurance from the Board to the Bureau of Internal Revenue but left the retirement-tax collection in that Bureau instead of transferring it to the Board, as the Crosser bill had done.

6. It deleted the changes in the coverage provisions.

The Committee version was debated in the House on June 10 and again on June 20, when it was defeated by a vote of 129 to 136. H. R. 1362 was

[8] House Committee on Interstate and Foreign Commerce, *Amendments . . . Report on H. R. 1362* (H. Rept. No. 1989), May 9, 1946. (Note correction made by Rep. Boren in the *Congressional Record* (daily edition), June 4, 1946, pp. A3362–A3363.)

Table 3.—*Annual apportionment of Federal funds for child welfare services under the 1946 amendments to the Social Security Act*

State or Territory	Maximum available for allotment [1] under 1946 amendments				Amount available for allotment before the 1946 amendments
	Total	Uniform apportionment	Rural population apportionment [2]	Amount of increase over previous allotment	
Total	$3,500,000	$1,060,000	$2,440,000	$1,990,000	$1,510,000
Alabama	102,028	20,000	82,028	58,724	43,304
Alaska	22,289	20,000	2,289	11,358	10,931
Arizona	33,496	20,000	13,496	18,011	15,485
Arkansas	82,962	20,000	62,962	47,400	35,562
California	103,194	20,000	83,194	59,415	43,779
Colorado	42,097	20,000	22,097	23,128	18,969
Connecticut	42,865	20,000	22,865	23,579	19,286
Delaware	25,273	20,000	5,273	13,135	12,138
District of Columbia	20,000	20,000	------------	10,000	10,000
Florida	55,336	20,000	35,336	30,991	24,345
Georgia	105,053	20,000	85,053	60,512	44,541
Hawaii	28,123	20,000	8,123	15,440	12,683
Idaho	34,445	20,000	14,445	18,584	15,861
Illinois	106,617	20,000	86,617	61,442	45,175
Indiana	83,901	20,000	63,901	47,953	35,948
Iowa	80,329	20,000	60,329	45,836	34,493
Kansas	63,444	20,000	43,444	35,802	27,642
Kentucky	102,828	20,000	82,828	59,198	43,630
Louisiana	77,401	20,000	57,401	44,096	33,305
Maine	40,918	20,000	20,918	22,424	18,494
Maryland	50,742	20,000	30,742	28,258	22,484
Massachusetts	38,971	20,000	18,971	21,269	17,702
Michigan	94,735	20,000	74,735	54,392	40,343
Minnesota	78,179	20,000	58,179	44,558	33,621
Mississippi	92,649	20,000	72,649	53,147	39,502
Missouri	95,679	20,000	75,679	54,949	40,730
Montana	34,435	20,000	14,435	18,574	15,861
Nebraska	53,262	20,000	33,262	29,758	23,504
Nevada	22,779	20,000	2,779	11,650	11,129
New Hampshire	28,642	20,000	8,642	15,137	13,505
New Jersey	51,757	20,000	31,757	28,857	22,900
New Mexico	34,747	20,000	14,747	18,758	15,989
New York	115,980	20,000	95,980	67,004	48,976
North Carolina	127,772	20,000	107,772	74,014	53,758
North Dakota	41,162	20,000	21,162	22,569	18,593
Ohio	115,206	20,000	95,206	66,547	48,659
Oklahoma	80,444	20,000	60,444	45,902	34,542
Oregon	43,153	20,000	23,153	23,748	19,405
Pennsylvania	157,472	20,000	137,472	91,646	65,826
Puerto Rico	74,058	20,000	54,058	42,110	31,948
Rhode Island	22,489	20,000	2,489	11,479	11,010
South Carolina	79,485	20,000	59,485	45,329	34,156
South Dakota	40,118	20,000	20,118	21,951	18,167
Tennessee	98,363	20,000	78,363	56,544	41,819
Texas	165,363	20,000	145,363	96,339	69,024
Utah	30,158	20,000	10,158	16,030	14,128
Vermont	29,792	20,000	9,792	15,812	13,980
Virginia	91,909	20,000	71,909	52,714	39,195
Virgin Islands	[3] 20,337	20,000	337	20,337	------------
Washington	53,784	20,000	33,784	30,063	23,721
West Virginia	76,747	20,000	56,747	43,710	33,037
Wisconsin	80,512	20,000	60,512	45,940	34,572
Wyoming	26,520	20,000	6,520	13,877	12,643

[1] Based on plans developed jointly by each State public welfare agency and U. S. Children's Bureau for payment of part of the cost of district, county, or other local child welfare services in areas predominantly rural and for developing State services for the encouragement and assistance of adequate methods of community child welfare organization and other areas of special need.

[2] Apportioned to the States according to the ratio of the rural population of each State to the total rural population of the United States (1940 census).

[3] Half of this, or $10,168, to be allotted Jan. 1, 1947.

then taken up in its original form and, after spirited debate, passed by a vote of 235 to 49. The measure was sent to the Senate, where it was referred to the Committee on Interstate Commerce. The Committee recommended [9] that the bill be adopted without amendment. The Senate passed it on July 26, however, in an amended form by a vote of 55 to 11. The amendments eliminated the provisions dealing with coverage and with the transfer of the retirement-tax collection function to the Board, and made a number of necessary changes in the effective dates. The amended bill was referred back to the House for further action. That body rejected a proposal to send the bill to a conference committee and, under a suspension of rules, passed the Senate version by a vote of 189 to 64. The amendments became law with the signature of the President on July 31, 1946.

[9] Senate Committee on Interstate Commerce, *Amendments . . . to Railroad Retirement Acts, Railroad Unemployment Insurance Act, and Related Provisions of Law, Report on H. R. 1362*, S. Rept. No. 1710, July 12, 1946, and Part 2, July 15, 1946.

Table 4.—*Contributions and taxes under selected social insurance and related programs, by specified period, 1944–46*

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions [1]	Federal civil-service contributions [2]	Taxes on carriers and their employees	State unemployment contributions [3]	Federal unemployment taxes [4]	Railroad unemployment insurance contributions
Fiscal year:						
1944–45	$1,309,919	$486,719	$285,038	$1,251,958	$184,544	$131,993
1945–46	1,238,218	528,049	282,610	1,009,091	179,930	129,126
1945						
October	54,434	23,859	1,468	122,910	2,551	54
November	237,766	24,881	8,479	106,116	10,281	845
December	6,916	21,664	58,525	7,672	770	31,882
1946						
January	32,819	23,692	5,061	96,509	13,292	76
February	199,548	21,662	3,461	95,148	106,998	856
March	18,367	21,198	64,561	3,607	13,576	31,083
April	60,752	21,690	1,349	106,107	3,014	54
May	268,945	22,049	5,293	135,903	11,174	834
June	6,634	22,872	65,240	5,828	1,440	30,622
July	62,317	[5] 244,223	2,257	95,266	2,245	65
August	284,345	23,617	7,617	154,956	9,998	786
September	8,339	20,234	75,540	5,510	1,145	35,164
October	69,952	16,410	2,137	92,835	2,213	138

[1] Represents contributions of employees and employers in employment covered by old-age and survivors insurance.

[2] Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in July for the entire fiscal year.

[3] Represents deposits in State clearing accounts of contributions plus penalties and interest collected from employers and, through April 1946, contributions from employees in 4 States; beginning May 21, 1946, employee contributions in California and, beginning July 1, 1946, in Rhode Island, are deposited in the respective State sickness insurance funds. Data reported by State agencies; corrected to Nov. 19, 1946.

[4] Represents taxes paid by employers under the Federal Unemployment Tax Act.

[5] Represents July contributions of $21.5 million from employees, and contributions for fiscal year 1946–47 of $221.5 million from the Federal Government and of $1.2 million from the District of Columbia for certain District government employees.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

Because of a readjustment in make-up which became necessary when the issue was in page proof, the regular tables on financial operations begin with table 4 on this page and continue on the following pages.

*Recent Publications in the Field of Social Security**

Social Security Administration

ARONSON, FRANKLIN M., and KELLER, RUTH A. *Mobility of Workers in Employment Covered by Old-Age and Survivors Insurance.* Washington: U. S. Social Security Administration, Bureau of Research and Statistics, 1946. 80 pp. (Bureau Report No. 14.)

A statistical source book, based on the wage records maintained by the Bureau of Old-Age and Survivors Insurance, which brings together information for a number of years on the proportion of workers covered by old-age and survivors insurance who worked for more than one employer and in more than one State, and gives some indication of their characteristics. Limited free distribution to research workers and interested agencies; apply to the Bureau of Research and Statistics, Social Security Administration, Washington 25, D. C.

CHILDREN'S BUREAU. *Current Program of the U. S. Children's Bureau.* Washington: U. S. Social Security Administration, Children's Bureau, 1946. 14 pp. Processed.

An outline of activities and organization. Free distribution; apply to the Children's Bureau, Social Security Administration, Washington 25, D. C.

HUGHES, MARSILE J. *Principles Underlying Labor-Dispute Disqualification.* Washington: U. S. Social Security Administration, 1946. 104 pp. (Attachment to Unemployment Compensation Program Letter No. 124.)

An analysis of the provisions of State laws, court decisions, and principles developed regarding eligibility for benefits in the case of unemployment resulting from labor disputes. Limited free distribution; apply to the Bureau of Employment Security, Social Security Administration, Washington 25, D. C.

MARCUS, GRACE F. *The Nature of Service in Public Assistance Administration.* Washington: U. S. Govt. Print. Off., 1945. 32 pp. (U. S. Social Security Administration, Bureau of Public Assistance. Public Assistance Report No. 10.) 10 cents.

This statement of "the characteristics that distinguish service in public assistance administration . . . is intended to assist in making and interpreting policy for the guidance of workers and in directing staff development."

General

GREAT BRITAIN. COMMITTEE ON THE PROVISION FOR SOCIAL AND ECONOMIC RESEARCH. *Report* . . . London: H. M. Stationery Office, 1946. 15 pp. (Cmd. 6868.) 3d.

Reviews the amount and type of research carried on by the British Government and the universities, and considers the desirability of establishing an official social science research department.

GREAT BRITAIN. MINISTRY OF NATIONAL INSURANCE. *Increase in Old Age, Widows' and Blind Persons' Pensions.* London: H. M. Stationery Office, 1946. 11 pp. (Cmd. 6878.) 2d.

Information on the increased rates effective October 1, 1946.

"Labor in the South." *Monthly Labor Review,* Washington, Vol. 63, Oct. 1946, pp. 481–586. 30 cents.

A survey of southern labor conditions which covers labor supply, income, wage differentials, living costs, State labor legislation, and the development of trade-unionism.

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

Table 5.—*Federal appropriations and expenditures under Social Security Administration programs, by specified period, 1945–47* [1]

[In thousands]

Item	Fiscal year 1945–46		Fiscal year 1946–47	
	Appropriations [2]	Expenditures through October [3]	Appropriations [2]	Expenditures through October [3]
Total	$908,828	$307,989	$1,013,531	$396,421
Administrative expenses	31,833	11,876	34,822	8,734
Federal Security Agency, Social Security Administration [4]	31,688	8,815	34,672	5,538
Department of Commerce, Bureau of the Census	145	35	150	48
Department of the Treasury [5]	([6])	3,025	([6])	3,148
Grants to States	556,485	201,225	571,709	252,559
Unemployment compensation administration	[7] 58,121	24,104	49,045	28,331
Old-age assistance	441,000	135,838	484,000	172,330
Aid to the blind		3,944		5,274
Aid to dependent children		21,317		36,724
Maternal and child health services	5,820	1,436	[8] 11,000	1,844
Services for crippled children	3,870	930	[8] 7,500	1,607
Child welfare services	1,510	510	[8] 3,500	824
Emergency maternity and infant care	46,164	13,144	16,664	5,676
Benefit payments, old-age and survivors insurance	[9] 320,510	[9] 94,889	[10] 407,000	[9] 135,127

[1] Transfer of the Children's Bureau to the Federal Security Agency became effective on July 16, 1946; 1945-46 data for programs administered by the Children's Bureau (maternal and child health services, services for crippled children, child welfare services, and emergency maternity and infant care) included to permit comparison between figures for 2 years.

[2] Excludes unexpended balance of appropriations for preceding fiscal year.

[3] Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

[4] Represents appropriations and expenditures for salaries and allotments and expenditures from the Federal Security Agency and the Department of Labor appropriations for printing and binding, penalty mail, and traveling expenses.

[5] Amounts expended by the Treasury in administering title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

[6] Not available because not separated from appropriations for other purposes.

[7] Includes $1,078,965 transferred from the Department of Labor as reimbursement for expenditures for employment office facilities and services.

[8] Maximum grants authorized by the Social Security Act Amendments of 1946; actual appropriations were $12,705,000, $8,467,500, and $4,127,500.

[9] Actual payments from old-age and survivors insurance trust fund.

[10] Estimated expenditures as shown in 1946–47 budget.

Source: Federal appropriation acts and 1946–47 budget (appropriations); *Daily Statement of the U. S. Treasury* and reports from administrative agencies (expenditures).

Lee, Kendrick. "Apportionment of Federal Grants." *Editorial Research Reports*, Washington, Vol. 2, Oct. 16, 1946, entire issue. $1.

Reviews the development of Federal grants to States and discusses the variable-grant principles incorporated in recent legislation passed by Congress.

Lindsey, Fred D. "The Crosser Act—A Pattern for Social Security?" *American Economic Security* (Chamber of Commerce of the U. S. A.), Washington, Vol. 3, Aug.-Sept. 1946, pp. 4–7. $1 a year.

Summarizes amendments to the Railroad Retirement and Railroad Unemployment Insurance Acts.

Manning, Raymond E. *Financing Social Security.* Washington: Library of Congress, Legislative Reference Service, 1946. 118 pp. Processed. (Public Affairs Bulletin No. 46.)

Presents, through quoted statements, the main arguments on the various methods of financing social security.

Margulies, H. D. *The Worker and the Law.* Brooklyn: Workmen's Benefit Fund, 1946. 117 pp. 50 cents.

A handbook, primarily for the New York worker, explaining the provisions of workmen's compensation, social security, wage and hour, and other labor laws.

Maxwell, James A. *The Fiscal Impact of Federalism in the United States.* Cambridge, Mass.: Harvard University Press, 1946. 427 pp. (Harvard Economic Studies Vol. 79.) $5.

The grant-in-aid system of financing public assistance and unemployment insurance receives considerable attention in this analysis of Federal-State fiscal relations.

Meriam, Lewis. *A Summary of the Publication, Relief and Social Security.* Washington: The Brookings Institution, 1946. 42 pp. 50 cents.

"National Insurance." *Industrial Law Review*, London, Vol. 1, Aug. 1946, pp. 66–95. 2s.

An evaluation of the new National Insurance and Industrial Injuries Acts in Great Britain.

"National Insurance and Industrial Injury—A Comparison." *National Insurance Gazette*, London, Vol. 35, Oct. 17, 1946, pp. 513–514; Oct. 24, 1946, pp. 525–526; Oct. 31, 1946, pp. 544–545. 6d. each issue.

Social Denmark; A Survey of the Danish Social Legislation. Copenhagen: Socialt Tidsskrift, 1945. 475 pp.

A comprehensive survey of the Danish social insurance system, covering sickness and invalidity, old-age, unemployment, and workmen's compensation, and public assistance programs. Other chapters discuss public health measures, labor legislation, education, housing, and the cooperative movement.

Social Legislation Information Service, Inc. *Proposed Department of Health, Education, and Welfare.* Washington: The Service, 1946. pp. 511–517. (Issue No. 93.)

Outlines the new organization of

Table 6.—*Federal insurance contributions and Federal unemployment taxes, by internal revenue collection district, July-September 1946 and 1945* [1]

[In thousands]

Internal revenue collection district in—	July-September 1946			July-September 1945		
	Total	Insurance contributions [2]	Unemployment taxes [3]	Total	Insurance contributions [2]	Unemployment taxes [3]
Total	$368,387.5	$354,999.4	$13,388.1	$368,869.1	$352,034.3	$16,834.8
Alabama	3,300.2	3,201.3	98.9	3,562.4	3,467.5	94.9
Arizona	777.5	771.4	6.1	616.6	604.8	11.8
Arkansas	1,159.3	1,142.4	16.9	1,134.8	1,045.3	89.5
California (2 districts)	17,761.5	16,996.8	764.7	30,868.9	30,001.4	867.5
Colorado	2,094.2	2,029.1	65.0	2,177.2	1,655.1	522.0
Connecticut	7,031.2	6,850.0	181.3	7,624.3	7,428.8	195.5
Delaware	2,464.8	2,333.9	130.9	3,639.9	3,172.6	467.2
Florida	3,451.0	3,405.5	45.5	2,845 9	2,800.1	45.8
Georgia	4,533.8	4,407.8	125.9	3,636.8	3,518.5	118.4
Hawaii	825.6	812.8	12.8	728.0	712.4	15.6
Idaho	697.5	693.3	4.1	563.3	553.7	9.6
Illinois (2 districts)	42,939.0	41,384.9	1,554.2	29,922.7	28,395.2	1,527.5
Indiana	6,653.6	6,555.4	98.2	6,371.5	6,267.6	103.9
Iowa	3,062.0	3,021.6	40.4	2,501.7	2,457.5	44.2
Kansas	1,880.4	1,837.1	43.3	2,072.8	2,024.0	48.7
Kentucky	2,594.6	2,554.7	39.9	2,395.1	2,358.9	36.2
Louisiana	3,045.4	2,980.8	64.5	2,927.1	2,851.7	75.4
Maine	1,444.1	1,423.1	21.0	1,415.0	1,397.9	17.0
Maryland (including Dist. of Col.)	6,281.7	6,153.8	127.8	5,699.3	5,589.5	109.8
Massachusetts	15,429.3	15,006.8	422.5	13,881.2	13,404.8	476.4
Michigan	23,152.1	21,814.7	1,337.5	26,942.8	25,333.1	1,609.7
Minnesota	5,317.2	5,183.0	134.2	5,092.9	4,941.3	151.7
Mississippi	1,134.7	1,125.2	9.5	914.8	890.8	24.0
Missouri (2 districts)	9,270.0	9,181.6	88.4	8,748.7	8,400.8	347.9
Montana	551.8	541.6	10.2	411.0	402.6	8.4
Nebraska	1,730.7	1,685.1	45.6	1,632.0	1,588.6	43.4
Nevada	329.1	327.4	1.7	244.6	233.8	10.8
New Hampshire	1,043.0	1,021.7	21.3	818.0	796.5	21.5
New Jersey (2 districts)	13,385.2	12,869.4	515.7	13,523.8	12,933.8	590.0
New Mexico	475.5	468.9	6.6	329.5	320.5	9.1
New York (6 districts)	76,343.2	72,838.9	3,504.3	75,180.4	70,722.5	4,457.9
North Carolina	4,880.4	4,761.1	119.3	4,345.2	4,241.6	103.6
North Dakota	319.3	316.3	3.0	236.1	233.2	2.8
Ohio (4 districts)	24,757.9	23,798.8	959.1	25,338.4	24,340.9	997.4
Oklahoma	2,993.7	2,895.6	98.1	2,684.1	2,583.0	101.0
Oregon	3,054.9	2,999.8	55.2	3,315.8	3,265.5	50.3
Pennsylvania (3 districts)	32,832.6	31,119.0	1,713.5	35,551.7	33,647.4	1,904.3
Rhode Island	2,389.0	2,367.5	21.5	2,357.1	2,340.4	16.7
South Carolina	2,088.0	2,052.2	35.7	1,713.1	1,509.7	203.3
South Dakota	381.0	378.4	2.7	288.1	284.2	3.9
Tennessee	3,925.9	3,863.9	61.9	3,665.0	3,559.1	105.8
Texas (2 districts)	9,809.3	9,593.4	215.9	9,631.2	9,108.7	522.5
Utah	831.4	818.0	13.4	735.5	734.9	.6
Vermont	562.7	554.5	8.2	469.4	459.6	9.8
Virginia	3,883.5	3,758.6	124.9	3,610.7	3,444.2	166.5
Washington (including Alaska)	5,265.1	5,112.1	153.1	6,205.0	5,998.0	207.0
West Virginia	2,658.3	2,613.4	44.7	2,706.1	2,650.3	55.8
Wisconsin	7,317.3	7,107.0	210.3	7,328.4	7,107.6	220.7
Wyoming	278.1	269.5	8.6	265.3	254.3	11.0

[1] Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in table 4, which are based on the *Daily Statement of the U. S. Treasury*. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the Treasury. The amount received by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

[2] Tax effective Jan. 1, 1937, payable by employers and employees.

[3] Tax effective Jan. 1, 1936, payable by employers only. Amounts collected under State unemployment compensation laws and deposited in State unemployment funds not included.

Source: Treasury Department, Bureau of Accounts.

the Federal Security Agency and proposals to create a department of health, education, and welfare.

"Sociala Frågor Vid 1946 års Riksdag." *Sociala Meddelanden*, Stockholm, Sweden, Aug.–Sept. 1946, pp. 659–671.

This survey of social questions dealt with by the Riksdag session of 1946 includes information on the new National Pension Act and amendments to the unemployment insurance legislation.

STRODE, JOSEPHINE, Editor. *Social Insight Through Short Stories.* New York: Harper & Brothers Publishers, 1946. 285 pp. $3.

An anthology designed to increase understanding of human behavior and social institutions.

UNITED NATIONS. THE SECRETARIAT. *Report of the Secretary-General on the Work of the Organization.* New York: United Nations, 1946. 66 pp. (Document No. A/65, 30 June 1946.)

An account of the developments in each of the main fields of the Organization's activities through June 30, 1946.

Table 7.—*Federal grants to States under the Social Security Act: Checks issued by the Treasury Department through September of fiscal years 1945–46 and 1946–47*

[In thousands]

State	Fiscal year 1945–46 through September, total grants	Fiscal year 1946–47 through September							
		Total	Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration	Maternal and child health services	Services for crippled children	Child welfare services
Total	[1] $131,237.0	$180,106.7	$130,468.2	$26,173.8	$3,841.4	$17,111.6	$1,176.3	$941.1	$394.3
Alabama	1,305.1	2,152.8	1,410.0	429.7	31.6	202.8	45.5	22.5	10.8
Alaska	59.2	141.9	72.3	10.6	(2)	31.7	14.2	10.0	3.0
Arizona	765.7	1,283.9	937.4	203.2	57.6	69.1	5.6	7.4	3.8
Arkansas	1,196.4	1,430.9	918.3	279.4	47.3	143.6	14.6	19.2	8.5
California	[1] 11,972.5	17,700.4	14,117.7	932.9	556.3	1,979.2	54.5	49.2	10.5
Colorado	2,640.6	3,525.9	3,038.6	337.3	32.9	65.2	27.7	20.0	4.2
Connecticut	1,083.6	1,522.6	952.2	223.3	9.7	300.4	15.0	17.0	5.0
Delaware	103.3	128.4	36.2	36.0	4.6	45.3	0	3.5	2.8
District of Columbia	343.1	311.1	129.0	53.9	12.8	106.0	1.6	5.0	2.9
Florida	2,464.0	3,900.2	3,042.9	520.4	122.8	149.1	30.5	28.5	5.9
Georgia	2,060.6	2,887.8	2,135.9	330.1	79.9	247.9	58.1	26.2	9.7
Hawaii	222.2	303.8	118.5	126.4	7.3	34.1	7.1	7.9	2.4
Idaho	592.4	945.2	696.4	124.9	16.0	81.7	15.1	7.2	3.9
Illinois	8,237.5	10,620.3	7,373.1	1,677.5	378.7	1,092.7	41.9	50.0	6.4
Indiana	3,766.5	4,074.8	3,014.4	537.0	116.2	336.1	46.0	18.6	6.6
Iowa	2,566.7	3,406.0	2,914.7	279.4	88.8	84.2	19.3	6.9	12.8
Kansas	1,607.6	2,272.7	1,751.6	275.5	67.6	142.8	19.5	9.1	6.6
Kentucky	1,317.3	1,630.7	989.8	408.5	41.1	125.7	28.5	25.7	11.3
Louisiana	1,981.8	3,001.1	1,768.0	769.4	78.3	345.3	17.4	13.8	8.9
Maine	959.0	1,342.9	1,000.0	163.0	46.6	103.1	17.1	10.4	3.0
Maryland	1,098.8	1,303.3	665.8	332.8	28.7	227.0	24.1	19.3	5.6
Massachusetts	4,842.9	7,791.9	6,349.4	750.6	85.9	529.6	38.2	33.6	4.7
Michigan	7,228.4	8,335.6	5,703.8	1,577.7	86.3	921.4	0	35.0	11.5
Minnesota	3,118.5	4,306.0	3,479.7	489.8	71.5	195.9	25.9	43.1	0
Mississippi	931.6	1,490.5	1,020.7	221.4	83.9	109.9	19.7	25.0	10.0
Missouri	6,100.8	8,421.8	6,867.1	1,169.3	(2)	329.7	23.8	23.3	8.6
Montana	670.9	890.6	662.5	103.5	29.3	76.2	5.2	6.8	7.1
Nebraska	1,389.9	2,096.6	1,776.3	224.0	32.2	43.7	4.2	9.7	6.6
Nevada	180.3	202.4	147.5	(3)	(3)	48.9	0	2.8	3.2
New Hampshire	418.8	85.5	0	0	0	69.7	10.4	2.5	2.9
New Jersey	1,969.7	2,279.6	1,257.3	296.6	46.0	652.9	22.9	0	4.0
New Mexico	483.7	802.0	465.1	251.9	17.2	46.3	11.3	6.4	3.8
New York	10,913.3	13,575.2	7,159.8	2,884.2	263.5	3,195.5	33.7	29.3	9.2
North Carolina	1,276.3	1,760.2	956.2	390.7	139.3	211.2	29.2	15.6	17.9
North Dakota	516.7	731.1	535.1	135.4	8.8	24.6	7.0	13.5	6.6
Ohio	8,766.4	8,911.2	7,079.7	671.2	197.6	870.9	43.3	30.8	17.6
Oklahoma	5,235.0	8,722.3	6,621.3	1,675.9	157.3	210.0	15.9	32.6	9.4
Oregon	1,769.0	2,450.0	1,988.0	166.7	33.7	242.2	5.4	10.4	3.6
Pennsylvania	7,529.9	9,593.0	5,131.8	3,154.8	(2)	1,185.7	62.6	41.8	16.3
Puerto Rico	33.6	101.7	(3)	(3)	(3)	(3)	76.6	17.0	8.0
Rhode Island	757.3	804.3	477.1	160.4	7.3	124.3	14.7	17.4	3.1
South Carolina	1,145.0	1,241.6	817.2	215.7	49.3	97.4	38.6	16.2	7.2
South Dakota	595.8	861.5	670.0	136.0	11.0	19.1	9.5	10.0	5.9
Tennessee	1,775.6	2,412.8	1,297.4	768.3	65.1	229.9	31.3	11.8	8.9
Texas	7,285.0	12,966.6	11,226.7	656.9	366.1	621.8	44.7	23.1	27.3
Utah	949.6	1,322.7	1,003.8	194.2	11.3	74.8	13.5	18.5	6.6
Vermont	342.7	362.4	236.9	54.0	13.4	48.8	0	4.4	4.9
Virginia	752.8	862.3	355.8	214.4	32.1	186.6	36.9	26.5	10.0
Washington	4,218.0	7,655.3	6,721.4	409.9	73.6	404.5	21.5	21.1	3.3
West Virginia	920.9	1,433.0	630.5	533.9	32.3	199.0	0	19.9	17.4
Wisconsin	2,591.3	3,351.8	2,438.7	591.4	93.9	194.3	22.5	0	11.0
Wyoming	183.4	399.1	308.5	23.9	8.9	34.0	5.0	15.8	3.0

[1] Includes $124,665 to California for public health work, granted in August 1945 but charged to the appropriation for the preceding fiscal year.
[2] Does not administer aid to the blind.
[3] No plan approved by the Social Security Administration.

Source: Compiled from data furnished by the Treasury Department, Bureau of Accounts.

Wyckoff, Viola. *The Public Works Wage Rate and Some of its Economic Effects.* New York: Columbia University Press, 1946. 313 pp. (Studies in History, Economics and Public Law, No. 521.) $3.50.

Analyzes wage policies and wage rates adopted by the FERA, CWA, WPA, and PWA and their effect on private wage rates.

Old-Age and Survivors Insurance

National Education Association of the United States. *Statutory Provisions for Statewide Retirement Systems.* Washington: The Association, 1946. 55 pp.

Outline and analysis of State retirement systems for teachers.

Smith, G. Howard. "Social Benefits Mount in Sweden." *American Swedish Monthly,* New York, Vol. 40, Sept. 1946, pp. 6–8. $2 a year.

Review of social legislation passed by the Swedish Riksdag in 1946 with considerable discussion of the act which increases old-age pensions.

Employment Security

Bancroft, Gertrude, and Welch, Emmett H. "Recent Experience with Problems of Labor Force Measurement." *Journal of the American Statistical Association,* Menasha, Wis., Vol. 41, Sept. 1946, pp. 303–312. $3 a year.

Includes a discussion of the difficulty of defining employment and unemployment.

Ducoff, Louis J., and Hagood, Margaret Jarman. "Objectives, Uses and Types of Labor Force Data in Relation to Economic Policy." *Journal of the American Statistical Association,* Menasha, Wis., Vol. 41, Sept. 1946, pp. 293–302. $3 a year.

Outlines the use and purpose of labor-force data and indicates some of the additional concepts and classifications needed.

"Guaranteed Pay Faces a Crisis." *Business Week,* New York, No. 894, Oct. 19, 1946, pp. 92 f. 20 cents.

The experience with annual-wage plans at the Hormel and the Proctor and Gamble plants during a period of critical material shortages.

Morton, Walter A. "Unemployment Compensation in Wisconsin." *Social Service Review,* Chicago, Vol. 20, Sept. 1946, pp. 333–344. $1.25.

Discusses the objectives of an unemployment insurance program and analyzes the experience of Wisconsin in order "to see how far present-day unemployment insurance has achieved its objectives . . ."

National Industrial Conference Board. *Will the Guaranteed Annual Wage Work?* New York: The Board, 1946. 44 pp. (Studies in Economics, No. 5.) 50 cents.

A round-table discussion.

Stewart, Charles, and Wood, Loring. "Employment Statistics in the Planning of a Full-Employment Program." *Journal of the American Statistical Association,* Menasha, Wis., Vol. 41, Sept. 1946, pp. 313–321. $3 a year.

Deals with "some of the problems arising in connection with the use of labor-force data and employment statistics in the planning and administering of a full-employment program."

Public Welfare and Relief

Castendyck, Edna. "Children's Services in the Community." *Social Service Review,* Chicago, Vol. 20, Sept. 1946, pp. 320–332. $1.25.

Reports on a special project set up in St. Paul, Minnesota, to study personality and behavior problems of children and the services given by community organizations concerned with children.

Table 8.—*Status of the unemployment trust fund, by specified period, 1936–46*

[In thousands]

Period	Total assets at end of period	Net total of U. S. Government securities acquired [1]	Unexpended balance at end of period	State accounts: Deposits	State accounts: Interest credited	State accounts: Withdrawals [2]	State accounts: Balance at end of period	Railroad unemployment insurance account: Deposits	Railroad unemployment insurance account: Interest credited	Railroad unemployment insurance account: Benefit payments	Railroad unemployment insurance account: Balance at end of period [2,3]
Cumulative, January 1936–October 1946	$7,491,752	$7,464,000	$27,752	$9,848,671	$601,475	$3,744,051	$6,706,251	$651,224	$47,665	$77,010	$785,501
Fiscal year:											
1944–45	7,315,258	1,437,173	8,084	1,256,003	113,140	70,492	6,679,108	118,794	10,502	785	636,150
1945–46	7,449,120	101,827	40,120	1,009,909	130,373	1,128,720	6,690,773	116,214	13,220	17,197	758,347
1945											
October	7,531,594	−90,000	48,420	42,316	437	107,224	6,856,064	49	41	216	675,528
November	7,606,978	65,000	58,804	183,097	141	108,283	6,931,019	760	13	388	675,957
December	7,537,391	−39,990	29,208	8,803	4,341	111,228	6,832,935	28,694	412	608	704,455
1946											
January	7,497,917	−50,000	39,733	32,898	57,042	134,146	6,788,831	67	5,644	1,081	709,086
February	7,518,918		60,735	157,391	15	135,621	6,810,616	782	1	1,567	708,302
March	7,425,962	−80,000	47,779	7,780	3,705	130,100	6,692,001	27,964	368	2,673	733,961
April	7,352,437	−80,000	54,253	39,431	383	110,207	6,621,608	49	40	3,268	730,829
May	7,439,485	85,000	56,302	198,765		109,380	6,710,993	751		3,119	728,492
June	7,449,120	25,816	40,120	9,930	60,816	90,966	6,690,773	27,559	6,374	4,094	758,347
July	7,409,916	−50,000	50,916	40,043	25	83,915	6,646,926	58	3	4,744	762,990
August	7,535,267	135,000	41,267	207,952		80,418	6,774,460	740		2,924	760,806
September	7,515,467	−5,000	26,467	8,377	3,434	59,870	6,726,402	31,616	375	3,733	789,065
October	7,491,752	−25,000	27,752	42,045	161	62,357	6,706,251	124	18	3,794	785,501

[1] Includes accrued interest; minus figures represent net total of securities redeemed.

[2] Includes transfers from State accounts to railroad unemployment insurance account amounting to $106,913,000.

[3] Includes transfers from railroad unemployment insurance administration fund amounting to $56,864,000.

Source: *Daily Statement of the U. S. Treasury.*

Community Chests and Councils, Inc. *Expenditures for Community Health and Welfare.* New York: Community Chests and Councils, Inc., 1946 (?) 50 pp. 50 cents to members; $1 to nonmembers.

Statistics for 14 urban areas for 1944.

Cordish, Hilda. "Family Agency Services in Meeting the Problems of the Aged." *The Councillor,* Baltimore, Vol. 11, Sept. 1946, pp. 5–10.

Discusses the type of service needed by the aged client and stresses the fact that family agencies must recognize that work with the aged requires special knowledge and skills.

Ferguson, Dwight H. "New Principles and Guides in Licensing For Foster Care in Maryland." *The Councillor,* Baltimore, Vol. 11, Sept. 1946, pp. 11–17.

An evaluation of the principles contained in the revised licensing regulations for child agencies and institutions.

Green, Dwight H. "The Illinois State Program of Public Aid and Social Security." *Public Aid in Illinois,* Chicago, Vol. 13, Sept.–Oct. 1946, pp. 1–2.

The Governor of Illinois comments on the increased grants for old-age assistance.

Holbrook, David H. "The National Social Welfare Assembly." *Highlights,* New York, Vol. 7, Oct. 1946. pp. 81–83. 20 cents.

Describes the objectives and organization of the recently formed coordinating council, representing 33 voluntary and 11 Government agencies.

Towle, Charlotte. "Economic Aspects of the Reunited Family." *Social Service Review,* Chicago, Vol. 20, Sept. 1946, pp. 345–353. $1.25.

Discusses the problems caused by changes in family income.

Health and Medical Care

"The Biennial Report of the Convention of the American Nurses' Association, the National League of Nursing Education, and the National Organization for Public Health Nursing, Atlantic City, New Jersey, September 23–27." *American Journal of Nursing,* New York, Vol. 46, Nov. 1946, pp. 728–746. 35 cents.

The convention adopted resolutions on the inclusion of nursing in prepayment medical care plans and the coverage of nurses under old-age and survivors insurance.

Brower, F. Beatrice. "State Cash Disability Benefits." *Management Record,* New York, Vol. 8, Oct. 1946, pp. 319–320.

Outline of the programs in Rhode Island and California.

Carr, Malcolm Wallace. *Dentistry, an Agency of Health Service.* New York: The Commonwealth Fund, 1946. 219 pp. $1.50.

Presents an over-all picture of American dentistry which includes considerable discussion of the problems of dental socio-economics.

Committee on Integration of the Medical Services of the Government. *Report to the President.* Washington: 1946. 11 pp. Processed.

Discusses present provisions for, and makes recommendations concerning, medical care for veterans and members of the armed forces.

Davis, Michael M. "Taken by the Neck." *Survey Graphic,* New York, Vol. 35, Nov. 1946, pp. 403–404. 30 cents.

Comments on the action of State

Table 9.—*Status of the old-age and survivors insurance trust fund, by specified period, 1937–46*

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund [1]	Interest received	Benefit payments	Administrative expenses [2]	Net total of U. S. Government securities acquired [3]	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative, January 1937–October 1946	$8,684,468	$685,580	$1,239,123	$201,614	$7,828,734	$46,303	$54,273	$7,929,310
Fiscal year:								
1944–45	1,309,919	123,854	239,834	26,950	1,137,411	35,092	32,007	6,613,381
1945–46	1,238,218	147,766	320,510	37,427	1,002,453	49,167	43,527	7,641,428
4 months ended:								
October 1944	404,272	3,718	72,354	9,181	267,964	26,686	69,326	5,772,846
October 1945	406,470	9,242	94,889	10,266	273,000	38,682	65,974	6,923,938
October 1946	424,953	9,301	135,127	11,244	280,000	46,303	54,273	7,929,310
1945								
October	54,434	----------	25,365	2,838	----------	38,683	65,974	6,923,938
November	237,766	99	24,082	2,838	—15,000	42,582	288,020	7,134,883
December	6,916	7,371	25,678	2,838	250,490	44,870	21,362	7,120,655
1946								
January	32,819	15,371	27,953	3,309	—10,347	44,884	48,275	7,137,583
February	199,548	----------	27,707	3,309	----------	46,153	215,538	7,306,114
March	18,367	9,242	28,589	3,309	180,000	46,509	30,893	7,301,825
April	60,752	26	29,545	3,853	—5,000	47,925	61,857	7,329,206
May	268,945	----------	30,855	3,853	----------	48,037	295,982	7,563,443
June	6,634	106,415	31,212	3,853	329,310	49,167	43,527	7,641,428
July	62,317	----------	33,333	995	----------	56,133	64,548	7,669,416
August	284,345	----------	34,553	3,680	----------	52,828	313,966	7,915,528
September	8,339	9,242	33,407	2,890	290,000	56,622	1,456	7,896,812
October	69,952	60	33,832	3,679	—10,000	46,303	54,273	7,929,310

[1] Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

[2] Represents salary payments of the Bureau of Old-Age and Survivors Insurance which, beginning July 1946, are paid directly from the fund and reimbursements to the Treasury for other administrative expenses in connection with administering old-age and survivors insurance; before July 1946, salaries of the Bureau of Old-Age and Survivors Insurance were included with reimbursements.

[3] Includes accrued interest; minus figures represent net total of securities redeemed.

Source: *Daily Statement of the U. S. Treasury.*

medical associations in promoting legislation which restricts the development of voluntary health insurance plans.

MARYLAND. DEPARTMENT OF HEALTH. BUREAU OF MEDICAL SERVICES. *Annual Report, 1945.* Baltimore: The Department, 1946. 13 pp. and charts. Processed.

Report on the program for the care of the indigent and medically indigent in Maryland during its first 6 months of operation.

"The Minister on the Final 'Switch Over'." *National Insurance Gazette,* London, Vol. 35, Oct. 10, 1946, p. 503. 6d.

Discusses the organization of regional and local offices and the recruitment and training of personnel in the national insurance system.

NEW YORK STATE. COMMISSION ON MEDICAL CARE. *Medical Care for the People of New York State.* Albany: The Commission, 1946. 504 pp.

The report of the Commission on the results of its investigation of the amount, adequacy, and cost of medical care furnished by public and private agencies and the recommendations of the majority and minority members of the Commission regarding improved methods of providing care.

STIEGLITZ, EDWARD J. *The Second Forty Years.* Philadelphia, New York: J. B. Lippincott Company, 1946. 317 pp. $2.95.

Discusses for the layman the physical and emotional aspects of aging.

U. S. CONGRESS. HOUSE. COMMITTEE ON LABOR. SUBCOMMITTEE ON AID TO PHYSICALLY HANDICAPPED. *Aid to the Physically Handicapped . . . Report.* Washington: U. S. Govt. Print. Off., 1946. 20 pp. (79th Cong., 2d sess., Committee Print.)

Summarizes the findings of the Committee as to the character and extent of aid to the physically handicapped and makes recommendations relative to the organization and expansion of existing services and to the provision of new services.

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Annual Report of the Federal Security Agency; Section V, Social Security Board, 1945. 25 cents.

Social Security Yearbook, 1944. (Sixth annual supplement to *Social Security Bulletin.*) 50 cents.

Unemployment Compensation Interpretation Service—The Benefit Series. Bureau of Employment Security. Monthly. Subscription price, $3.50 a year; single copies, 30 cents.

Employment Security Activities. Bureau of Employment Security. Monthly. Processed.

Insured Unemployment. (A new publication giving statistics on the volume of insured unemployment.) Bureau of Employment Security. Weekly. Processed.

Comparative Statistics of General Assistance Operations of Public Agencies in Selected Large Cities. Bureau of Public Assistance. Monthly. Processed.

Reasons for Opening Cases for Assistance. Bureau of Public Assistance. Quarterly. Processed.

Reports

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Principles Affecting Appeal Procedure. Bureau of Employment Security.

Principles Underlying Labor-Dispute Disqualification. Bureau of Employment Security.

Women Claimants—Problems in Determining Availability and Suitable Work. Bureau of Employment Security.

Individuals and Group Conferences as Methods of Supervision (Current Practices in Staff Training, Illustrations from State Public Assistance Agencies No. 4). Bureau of Public Assistance.

The Nature of Service in Public Assistance Administration. Bureau of Public Assistance.

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Public Assistance Developments Set New Goals for Staff Training. Bureau of Public Assistance.

Mobility of Workers in Employment Covered by Old-Age and Survivors Insurance. Bureau of Research and Statistics.

Survey of Accident and Health Insurance, Bulletins 4, 5, and 6. Bureau of Research and Statistics.

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